DOCUMENT RESUME

ED 355 394 CE 063 246

TITLE	Endangered Species Employment Transition Assistance Act of 1992. Hearing To Amend the Job Training Partnership Act To Establish an Endangered Species Employment Transition Assistance Program, and for Other Purposes, before the Subcommittee on Employment and Productivity of the Committee on Labor and Human Resources. United States Senate, One Hundred Second Congress, Second Session.
INSTITUTION	Congress of the U.S., Washington, D.C. Senate Committee on Labor and Human Resources.
REPORT NO	ISBN-0-16-038906-2; Senate-Hrg-102-655
PUB DATE	14 May 92
NOTE	68p.; Photographs and text in shaded blocks will not reproduce well.
AVAILABLE FROM	U.S. Government Printing Office, Superintendent of Documents, Congressional Sales Office, Washington, DC 20402.
PUB TYPE	Legal/Legislative/Regulatory Materials (090) -- Viewpoints (Opinion/Position Papers, Essays, etc.) (120)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	Adult Education; Career Change; *Dislocated Workers; *Employment Services; *Endangered Species; Federal Aid; *Federal Legislation; Federal Programs; Hearings; Job Layoff; *Job Training; Labor Economics; *Retraining; Unemployment
IDENTIFIERS	Congress 102nd; Job Training Partnership Act 1982; Proposed Legislation

ABSTRACT

This congressional hearing focuses on the Endangered Species Employment Transition Assistance Act of 1992, which would amend the Job Training Partnership Act to provide job training and supportive services to workers dislocated as a result of enforcement of the Endangered Species Act. Testimony includes statements, articles, publications, communications, and prepared statements from U.S. senators, dislocated workers, the Governor of Oregon, and individuals representing Umpqua Training and Employment, Inc.; Oregon Economic Development Program; AFL-CIO; United Brotherhood of Carpenters and Joiners of America; and Western Council of Industrial Workers. (YLB)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED355394

S. HRG. 102-655

ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE ACT OF 1992

HEARING
BEFORE THE
SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY
OF THE
COMMITTEE ON LABOR AND HUMAN RESOURCES UNITED STATES SENATE
ONE HUNDRED SECOND CONGRESS

SECOND SESSION

TO AMEND THE JOB TRAINING PARTNERSHIP ACT TO ESTABLISH AN ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE PROGRAM, AND FOR OTHER PURPOSES

MAY 14, 1992

Printed for the use of the Committee on Labor and Human Resources

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

U.S. GOVERNMENT PRINTING OFFICE
56-259 ☐ WASHINGTON : 1992

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-038906-2

CF 063 246

2 BEST COPY AVAILABLE

COMMITTEE ON LABOR AND HUMAN RESOURCES

EDWARD M. KENNEDY, Massachusetts, *Chairman*

CLAIBORNE PELL, Rhode Island
HOWARD M. METZENBAUM, Ohio
CHRISTOPHER J. DODD, Connecticut
PAUL SIMON, Illinois
TOM HARKIN, Iowa
BROCK ADAMS, Washington
BARBARA A. MIKULSKI, Maryland
JEFF BINGAMAN, New Mexico
PAUL D. WELLSTONE, Minnesota
ORRIN G. HATCH, Utah
NANCY LANDON KASSEBAUM, Kansas
JAMES M. JEFFORDS, Vermont
DAN COATS, Indiana
STROM THURMOND, South Carolina
DAVE DURENBERGER, Minnesota
THAD COCHRAN, Mississippi

NICK LITTLEFIELD, *Staff Director and Chief Counsel*
KRISTINE A. IVERSON, *Minority Staff Director*

SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY

PAUL SIMON, Illinois, *Chairman*

TOM HARKIN, Iowa
BROCK ADAMS, Washington
BARBARA A. MIKULSKI, Maryland
JEFF BINGAMAN, New Mexico
EDWARD M. KENNEDY, Massachusetts
(Ex Officio)
STROM THURMOND, South Carolina
DAVE DURENBERGER, Minnesota
NANCY LANDON KASSEBAUM, Kansas
DAN COATS, Indiana
ORRIN G. HATCH, Utah
(Ex Officio)

BRIAN KENNEDY, *Chief Counsel and Staff Director*
KENT DEAN TALBERT, *Minority Counsel*

CONTENTS

STATEMENTS

THURSDAY, MAY 14, 1992

	Page
Simon, Hon. Paul, a U.S. Senator from the State of Illinois, prepared statement	1
Thurmond, Hon. Strom, a U.S. Senator from the State of South Carolina, prepared statement	33
Hatfield, Hon. Mark O., a U.S. Senator from the State of Oregon, prepared statement	34
Deal, Bruce, dislocated timber worker, Winston, OR; Norm Gershon, president, UMPQUA Training and Employment, Inc., Roseburg, OR; Cam Preus-Braly, program manager, job training department administration, Oregon Economic Development Program	41
Prepared statement of:	
Bruce Deal	43
Johnson, Calvin, legislative representative, AFL-CIO; Irv Fletcher, president, Oregon, AFL-CIO; Denny Scott, assistant director, industrial department, United Brotherhood of Carpenters and Joiners of America	49
Prepared statements of:	
Calvin Johnson	51
Irvin Fletcher	52
Denny Scott	54

ADDITIONAL MATERIAL

Articles, publications, etc.:	
Article from The Carpenter magazine, submitted by Senator Hatfield	15
Committee Members' State analysis	23
Editorial from the Seattle Times, entitled Gutting the Act Will Not Put Loggers Into Jobs, submitted by Senator Adams	39
Statement for the record on behalf of the Western Council of Industrial Workers, submitted by Michael Draper	61
Prepared statement of Pamela A. Mattison	62
Communications to:	
Senator Hatfield, letter from Governor Roberts of Oregon	5

THE ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE ACT OF 1992

THURSDAY, MAY 14, 1992

U.S. SENATE,
SUBCOMMITTEE ON EMPLOYMENT AND PRODUCTIVITY, OF THE
COMMITTEE ON LABOR AND HUMAN RESOURCES,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:10 a.m., in room SD-430, Dirksen Senate Office Building, Senator Paul Simon (chairman of the subcommittee) presiding.

Present: Senators Simon, Adams and Thurmond.

OPENING STATEMENT OF SENATOR SIMON

Senator SIMON. The hearing will come to order.

First of all, my apologies. I try to start hearings promptly, but I was over at a press conference and was not able to get away right away.

This hearing is being scheduled specifically at the request of Senator Hatfield, who makes a very logical case for some type of action. If Federal policy puts people out of work, then Federal policy ought to in some way be adjusted.

Let me add that I have a personal interest. While I do not stress this in the State of Illinois, I was born in the State of Oregon, and last night I ran into Hubert Humphrey's sister, Frances Howard, and I learned that Hubert Humphrey's father was born in Eugene, OR, which I did not know. So there are all kinds of ties.

Let me just add that Ann Abel is here, formerly from Illinois, with whom I have worked on some things, and we are very pleased to see her here.

[The prepared statement of Senator Simon follows:]

PREPARED STATEMENT OF SENATOR SIMON

We are here to accept testimony on the Endangered Species Employment Transition Assistance Act of 1992 introduced by Senator Hatfield, which would amend the Job Training Partnership Act to provide job training and supportive services to workers dislocated as a result of enforcement of the Endangered Species Act. I want to thank Senator Hatfield for his leadership in introducing S. 2491, to assist communities suffering from government actions taken to protect endangered species. I also want to thank Senator Hatfield for his cooperation in helping pass the Job Training and Basic Skills Act of 1992, amendments which will strengthen the entire JTPA

system. With Senator Hatfield's help, that bill which I am proud to be the sponsor of, passed the Senate, and we will shortly begin a Conference with the House to move toward final passage of those much needed amendments.

We in the United States must begin to recognize that the true test of the strength of our nation is our ability to compete in a global economy. As the bipartisan America's Choice report concluded:

> "The choice that America faces is a choice between high skills and low wages. Gradually, silently, we are choosing low wages. We still have time to make the other choice—one that will lead us to a more prosperous future. To make this choice we must fundamentally change our approach to work and education."

I believe it is time we made that fundamental change.

We have learned that our current investments in technology and capital alone are insufficient to enable us to compete. We have also learned that industries and communities in other developed countries have benefited from better national education and workforce preparation systems. It is not just better facilities and higher technology that increase the productivity of a nation but also the skill level of the labor force and the availability of education and job training for all workers. Senator Kennedy and Senator Hatfield have taken a leadership role in introducing and supporting S. 1790, the High Skills Competitive Workforce Act. This important legislation would create a nationwide system of evaluating, certifying, training, and upgrading the education and skills of the labor force. S. 1790 would set in motion a workforce preparation system that would strengthen our nation's ability to compete in this global economy by increasing the productivity of our workers. Again, I commend Senator Hatfield for his foresight and leadership in this area.

We are learning from the experience of communities in the Pacific Northwest, and in other parts of the country, that the managing the preservation of our environment can have devastating affects upon local economies. The Endangered Species Act is the major policy we have developed to monitor and preserve the environment.

The Job Training Partnership Act is the one comprehensive federal job training program available for the economically disadvantaged and for dislocated workers. At current funding levels, the Job Training Partnership Act is only able to serve less than 5 percent of its eligible population. Those who want to work, who want to be trained, who want to become self-sufficient should not be turned away.

Title III of the Job Training Partnership Act authorizes the programs and grants for providing retraining and supportive services for dislocated workers. All across the nation, advances in technology, foreign competition, debt burdens caused by leveraged buyouts and escalating operating costs are causing manufacturing plants in rural and urban communities to downsize, relocate, and close. Even though the JTPA has established a very sound and effective method of responding to dislocated workers in these situations, our

nation has not directed sufficient funds to adequately serve every community affected.

My heart goes out to the American families who are struggling to get through each day. It is my hope that my colleagues and I will soon be able to pass legislation to appropriate enough funds for the economically disadvantaged and dislocated workers. I want laid off timber workers, as well as workers in the coal, auto, steel, and other industries throughout this country to know that they are valuable, contributing members of our workforce. I want job training programs to have enough funds to prevent the despair and deterioration in our communities that unemployment and dislocation cause.

Senator SIMON. Let me at this point call on my distinguished colleague Senator Mark Hatfield.

OPENING STATEMENT OF SENATOR HATFIELD

Senator HATFIELD. Thank you, Mr. Chairman.

I first wish to thank you and the committee for bringing this hearing about following our discussion on the floor during the consideration of the Job Training Partnership Act Amendments and the very sympathetic ear extended by you, Senator Kennedy, and other members of the committee. I am very grateful for this opportunity.

Mr. Chairman, if I might, first I would like to outline the procedure that I would request the committee to take today if it meets your approval. I would like to make an opening statement, and then I would like to introduce six witnesses divided into two panels. They all have important testimony to offer to this committee from different perspectives, including one of our dislocated timber workers from Oregon.

I also would ask unanimous consent that a series of endorsement letters be entered into the record. They are from former Secretary of Labor Ray Marshall; the United Brotherhood of Carpenters and Joiners of America, AFL-CIO; the Association of Oregon Counties, which is a very important group in our State; the Oregon Consortium; the Oregon AFL-CIO; Umpqua Training and Employment Training, Inc.; Tillamook County Commissioners; Mid-Columbia Employment and Training.

I would also like to submit a letter from Governor Roberts of Oregon and an article in *The Carpenter* magazine, and a committee members' State analysis that I have put on a couple of placards this morning for the committee's viewing.

It sounds like a lot, but it is just a basic group of documents, and if they could be entered for the record, I would appreciate it.

Senator SIMON. They will be entered in the record.

[Documents follow:]

**LETTERS OF ENDORSEMENT FOR
S.2491, THE ENDANGERED SPECIES
EMPLOYMENT TRANSITION ASSISTANCE ACT**

LYNDON B. JOHNSON SCHOOL OF PUBLIC AFFAIRS
THE UNIVERSITY OF TEXAS AT AUSTIN

Audre and Bernard Rapoport Centennial Chair in Economics and Public Affairs
Drawer Y · University Station · Austin, Texas 78713-7450 · (512) 471-4962 · FAX (512) 471-1835

May 12, 1992

The Honorable Mark Hatfield
United States Senate
Russell Senate Office Building
Washington, D.C. 20510

VIA FAX: 202/224-0276

Dear Senator Hatfield:

This is to support S. 2491, to amend the Job Training Partnership Act to establish an Endangered Species Employment Assistance Program. I agree with you that this bill is not enough, but it is a start. We need to take a much more comprehensive approach to economic development and environmental matters. If we want to have sustainable economic development we must establish processes that force a consideration of all of the costs involved in development. This must be done for both efficiency and equity reasons. We must see to it that economic activities include environmental and worker safety, health, and employment protections. Economic activities that meet these standards will be efficient because they will force developers to internalize all costs and therefore provide incentives for them to develop and use cost-effective technologies and processes.

Good public policy requires, however, that we have an equitable sharing of the benefits and costs of economic change. We cannot expect workers and communities to bear the full costs of change, whether it be the Endangered Species Act, economic adjustment, or the North American Free Trade Agreement. I agree with you that a comprehensive approach would be preferable--because the displaced worker problem is not restricted to environmental or trade matters. Adjustment of workers and other resources into more sustainable activities is desirable, but will not happen without positive intervention. S. 2491 is not enough, but it is a desirable start.

I am sorry that my schedule will not permit me to testify on S. 2491 in person, but I wanted to register my support. Please let me know if I can provide additional information.

Sincerely,

Ray Marshall

BEST COPY AVAILABLE

BARBARA ROBERTS
GOVERNOR

OFFICE OF THE GOVERNOR
STATE CAPITOL
SALEM, OREGON 97310-0370
TELEPHONE: (503) 378-3111

May 13, 1992

The Honorable Mark O. Hatfield
U.S. Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Mark:

I am writing to thank you for your continued support of education and workforce development issues. I appreciated your supportive testimony on March 31st on the Job Training and Basic Skills Act and support the introduction of your Endangered Species Employment Transition Assistance Act. Your bill strikes an important balance between the federal government's policies to protect our environment and the government's responsibility to assist workers who are dislocated from their jobs because of such policies.

During 1991 and 1992 we expect 171,000 unemployed workers to draw unemployment compensation in Oregon. Over 17,000 timber related jobs have been lost since 1988. We know that federal funding for JTPA Title III is not adequate to serve the numbers of dislocated workers requesting assistance.

The State of Oregon has played an active role in retraining efforts. During 1991 state legislators approved more than $60 million through our Timber Response Plan to provide for 1) economic development for timber dependent communities and 2) dislocated worker programs. The Timber Response Plan, coming in the aftermath of measure 5 and reduced state finances, represents a considerable commitment by the state to help those communities, families and workers who have been affected by timber supply reductions.

Oregon has been successful in the past in obtaining federal discretionary funds to serve dislocated workers. However, potential for additional dollars may be in jeopardy because of other major industry downturns in the nation, specifically defense and automobile manufacturing. It is essential that Oregon families and communities not be forgotten as the demand for scarce dollars escalates.

Again, thanks for your leadership. The Endangered Species Employment Transition Assistance Act is certainly an important step in the right direction.

Sincerely,

Barbara Roberts
Governor

BR:sag/doc#124

BEST COPY AVAILABLE

American Federation of Labor and Congress of Industrial Organizations

815 Sixteenth Street, N.W.
Washington, D.C. 20006
(202) 637-5000

EXECUTIVE COUNCIL

LANE KIRKLAND PRESIDENT

THOMAS R. DONAHUE SECRETARY-TREASURER

Albert Shanker
William H. Wynn
Joyce D. Miller
Vincent R. Sombrotto
Marvin J. Boede
Lynn R. Williams
Gene Upshaw
Jack Sheinkman
William J. McCarthy
John N. Sturdivant
James J. Norton

Edward T. Hanley
John DeConcini
John J. Sweeney
Gerald W. McEntee
Owen Bieber
Morton Bahr
Jay Mazur
John J. Barry
Max Baer
Richard L. Trumka
Joseph F. Cleary

Angelo Fosco
Wayne E. Glenn
James E. Harland
William H. Bywater
John T. Joyce
Robert A. Georgine
Lenard Weiner
Sigurd Lucassen
George J. Kourpias
Frank Hanley
Michael Sacco

May 1, 1992

Honorable Mark O. Hatfield
United States Senate
711 Hart Senate Office Building
Washington, D. C. 20510

Dear Senator Hatfield:

This letter is to express the support of the AFL-CIO for S. 2491, The Endangered Species Employment Transition Assistance Act of 1992, which you introduced to provide training assistance to workers displaced because of action taken under the Endangered Species Act.

We understand the job loss problems faced by workers in the forest products industry due to the implementation of the Endangered Species Act. Unfortunately, the current job retraining programs have been inadequate to handle the tremendous need. Your proposal takes a major step forward in providing assistance to workers during these tenuous times.

We look forward to working with you to enact this needed legislation.

Sincerely,

Robert M. McGlotten

Robert M. McGlotten, Director
DEPARTMENT OF LEGISLATION

JAMES S. BLEDSOE, GENERAL TREASURER
UNITED BROTHERHOOD OF CARPENTERS
AND JOINERS OF AMERICA

101 CONSTITUTION AVENUE, N.W.
WASHINGTON, D.C. 20001

April 9, 1992

The Honorable Mark O. Hatfield
United States Senate
711 Hart Senate Office Bldg.
Washington, D. C. 20510

Dear Senator Hatfield:

This is to express our support for S. 2491, your bill to provide training assistance to workers displaced because of action taken under the Endangered Species Act.

Our union represents some 30,000 workers in the Pacific Northwest who work in the forest products industry. Today their jobs are threatened because of implementation of the Endangered Species Act concerning the northern spotted owl. In fact, listing of the owl and the subsequent law suits and court injunctions has already had a major impact on workers. Over the last two years 110 wood products mills have closed in the region, throwing 11,000 people out of work. And this is not the end of the dislocation and turmoil expected to play out in the coming years.

Regretfully, the job retraining programs have not been adequate to handle the tremendous need for worker assistance. The funding has not been adequate and the restrictions on the duration of training has severely diluted the usefulness of the JTPA transition program.

Thank you for coming to the assistance of working families dislocated due to application of federal policy concerning preservation and recovery of threatened species. This problem is not confined to the Pacific Northwest, but is national in scope.

While much attention has been focused on the northern spotted owl, virtually every state in the country will experience job losses due to the application of the Endangered Species Act. Some 1,200 endangered or threatened species have already been designated under the Act and there are over 7,000 species currently on the candidates list. It is a certainty that a considerable share of the recovery plans for these species will cause unemployment in the future. We need enactment of S. 2491 as soon as possible.

With kind regards, I am

Sincerely yours,

James S. Bledsoe

James S. Bledsoe
General Treasurer

JSB/ao
opeiu #2
afl-cio

ASSOCIATION OF OREGON COUNTIES
LOCAL GOVERNMENT CENTER 1201 COURT STREET N.E. PO BOX 12729 SALEM, OREGON 97309-0729 (503) 585-8...

April 14, 1992

The Honorable Mark O. Hatfield
United States Senator
711 Hart Senate Office Building
Washington, DC 20510

Dear Senator Hatfield:

I am very pleased to let you know that the AOC Board of Directors gave unanimous support to S. 2491, your bill for the Endangered Species Employment Transition Assistance Act.

It has been a very tough year for the people in Oregon whose livelihoods depend on a healthy timber industry. Unfortunately, there is the likelihood that more jobs will be lost before some stability is achieved. These workers and families clearly deserve the type of help that is intended by your bill.

We appreciate very much your efforts. If there is any way we can assist with support for S. 2491 we are ready and willing to do so.

Sincerely,

Judge Kevin Campbell
President

ec

c: Senator Bob Packwood
Representative Les AuCoin
Representative Bob Smith
Representative Ron Wyden
Representative Peter DeFazio
Representative Mike Kopetski

BEST COPY AVAILABLE

The Oregon Private Industry Council, Inc. & The Oregon Consortium

April 17, 1992

The Honorable Mark O. Hatfield
United States Senate
711 Hart Senate Office Building
Washington, DC 20510

Dear Senator Hatfield:

We applaud your introduction of S. 2491, the Endangered Species Employment Transition Act of 1992! Your bill strikes an important balance between the Federal government's policies protecting our environment and the Federal responsibility to assist those workers, therefore their families and communities, who are dislocated from their jobs because of such policies.

Since July 1988, 9,174 workers in Oregon's 27 rural counties have been affected by timber related closures and cutbacks. We all know that JTPA Title III funding is not adequate to assist the multitudes of people requesting our services. As you know, Title III of JTPA serves all dislocated workers nationwide, with the upcoming lay-offs at General Motors and in the defense industries alone, it is highly unlikely that the Pacific Northwest will be granted sufficient Title III funds to deliver services to all of those displaced in the timber industry. It is essential that our families and communities are not forgotten.

We are grateful that you have taken this leadership role in carrying the message of the results of the Endangered Species Act and the concern for the dislocated worker in Oregon, and throughout the United States.

Sincerely,

Michael Sykes

Michael Sykes, Chairman, The Oregon Consortium Board of Directors
Columbia County Commissioner

Robert Schroth

Robert Schroth, President
The Oregon Private Industry Council, Inc.

SUB

360 S.W. FERRY, SUITE 103 • ALBANY, OREGON 97321 503/928-0261 • 1-800-668-7611 • FAX 503/928-3096

Oregon AFL-CIO

IRVIN H. FLETCHER, PRESIDENT
BRAD WITT, SECRETARY-TREASURER

1900 HINES STREET S.E. SALEM, OREGON 97302

UNION YES

TELEPHONE (503) 585-6
(FROM PORTLAND DIAL 224-3
FAX (503) 585-1

April 10, 1992

Senator Mark O. Hatfield
United States Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Hatfield:

The Oregon AFL-CIO is pleased to endorse S.2491, the "Endangered Species Employment Transition Assistance Act of 1992.

Since the end of 1989, approximately 17,000 forest products industry workers have lost their jobs in Oregon. Furthermore, estimates indicate that our state could lose an additional 35,000 to 40,000 jobs in this industry due to future compliance with the Endangered Species Act.

Oregon AFL-CIO supports your efforts to help workers who are seeking new forms of employment through the several training and educational programs offered through the Job Training Partnership Act. These displaced workers are in desperate need of Federal assistance to enable them to complete these long-term programs and your bill will do just that. You have taken an important step by attempting to put a human face on the Endangered Species Act.

As you may recall, during the debate of the Clean Air Act in 1990, organized labor endorsed Federal efforts to support those individuals who became displaced due to new provisions in the Act. We feel that the jobs being lost now, and in the future, due to the ESA warrants equal treatment. We urge quick passage of this important legislation.

Yours truly,

Irvin H. Fletcher,
President

IHF:rl
opeiu #11
afl-cio

UMPQUA TRAINING & EMPLOYMENT, INC.
P.O. BOX 279 • ROSEBURG OREGON 97470 • (503) 672-7761

April 13, 1992

The Honorable Mark O. Hatfield
United States Senate
711 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Hatfield:

Thank you for your statement on the Senate floor on March 31st, and for your continued commitment to employment and training programs as evidenced by your introduction of S. 2491, the Endangered Species Employment Transition Assistance Act of 1992.

Umpqua Training and Employment, Inc. (UT&E), administers Job Training Partnership Act programs in Douglas County.

To date, Douglas County's dislocated workers have been well served by Title III of JTPA. UT&E has been able to access a fair share of funds for the more than 1200 workers dislocated here. In addition to Title III funds that are allocated by formula to Oregon and Douglas County, we have been very successful in applying for national discretionary funds. In fact, we just recently received nearly a million dollars to serve the victims of the closures at Bohemia in Drain, and Gregory in Glendale.

However, barely half of the individuals eligible for services have come to UT&E at this time. We are contacting the others by mail in an effort to determine what has become of them. It is our educated guess that these individuals will trickle in over the next few months along with others who, it appears, will also be laid off soon. We worry, frankly, if there will be resources left for them.

As you're aware, Title III of JTPA serves all dislocated workers. With the coming lay-offs at General Motors plants, and in the defense industry, it is unlikely that the Pacific Northwest will be granted sufficient Title III funds to deal with our very special problem. That is why your bill, S. 2491, makes so much sense.

BEST COPY AVAILABLE

If I can provide any additional information, including specific information on our retraining programs in Douglas County, I hope you will not hesitate to contact me.

Thank you, again, for your attention to this vital issue.

Sincerely,

Norm Gershon
President

NG:kv

COMMISSIONERS
J.A. Dove
I.A. Lane
K.M. Burdick

TILLAMOOK COUNTY
Land of Cheese, Trees and Ocean Breeze

(503)842-3403
FAX 842-2721

BOARD OF COMMISSIONERS
Tillamook County Courthouse
201 Laurel Avenue, Tillamook, Oregon 97141

May 11, 1992

The Honorable Mark O. Hatfield
711 Hart Senate Office Building
Washington, D. C. 20510

Dear Senator Hatfield:

We want to thank you for your introduction of Senate Bill 2491, the Endangered Species Employment Transition Act. This bill strikes an important balance between the Federal government's policies protecting our environment and the Federal responsibility to assist those workers and their families who are dislocated because of such policies.

As you well know, 9174 workers in Oregon's 27 rural counties have been affected by timber related closures and cutbacks since July, 1988. We are all aware that JTPA Title III funding is not adequate to assist the multitudes of people requesting their services. With the upcoming layoffs at General Motors and defense industries in other parts of the country competing for JTPA services, it is unlikely that the Pacific Northwest would be granted sufficient Title III funds to deliver services to all of those displaced in the timber industry. It is essential that our families and communities not be forgotten.

We very much appreciate your efforts to help our timber workers, and thank you for your introduction and continuing support of SB 2491.

Sincerely,

THE BOARD OF COMMISSIONERS
FOR TILLAMOOK COUNTY, OREGON

Jerry A. Dove, Chairperson

Ida A. Lane, Vice Chairperson

Kenneth M. Burdick, Commissioner

mw

AN EQUAL OPPORTUNITY EMPLOYER

56-259 O - 92 - 2

Mid-Columbia Employment and Training
A Division of the Mid-Columbia Council of Governments

502 East 9th Street, Annex B, The Dalles, Oregon 97059 (503) 298-4101
1215 Taylor Street, Hood River, Oregon 97031 (503) 386-6300
P.O. Box 306, Fossil, Oregon 97830 (503) 763-4215

April 24, 1992

The Honorable Mark O. Hatfield
United States Senate
711 Hart Senate Office Building
Washington, DC 20510

Dear Senator Hatfield:

We appreciate your introduction of S. 2491, the Endangered Species Employment Transition Act of 1992. As the group advising the JTPA Program Operator in the five-county Mid-Columbia River Region, we have seen the impact of mill closures on their dislocated workers and on the communities and businesses those workers support.

Many of the people needing retraining in our area will be needing financial support for one or two years in order to be trained for family-wage jobs and full taxpaying members of their communities again. Bill 2491 will provide funding to aid those dislocated workers.

Thanks again for your leadership role.

Sincerely,

Judith A. Gidley

Judith A. Gidley, Director

at the direction of The Mid-Columbia Business Advisory Council
(members listed below)

Bob Whittaker, Chair (Business, Hood River County)
Carol Annala (Business, Hood River County)
Chuck Carlson (Business, Sherman County)
Eugene Tsubota (Business, Sherman County)
Cheryl Welker (Business, Sherman County)
Elton Fadness (Business, Wasco County)
Ida Ontiveros (Business, Wasco County)
Joan Nugent (Business, Wasco County)
Bill Ward (Bonneville Power Administration, Wasco County)
Barbara Briggs (Community Based Organization)
Patrick Davis (Economic Development)
Ernie Keller (Education)
Bob Watkins (Employment Division)
Dan Lacy (Labor)
LaVon Hall (Vocational Rehabilitation)

Make our business your business

BEST COPY AVAILABLE

An Endangered Species

Unless things change soon, the spotted owl seems more likely to survive the timber crisis than the Douglas County (Ore.) towns, families, and businesses that depend on federal forests for their livelihood.

Photos by Earl Dotter

Stopping for coffee in Roseburg, Ore., the center of the Douglas County timber industry, the cool mist is sweet with the smell of fresh wood cured. But ten minutes down the highway, in the small town of Dillard, there's a gaping hole in the sky.

Weyerhaeuser Timber's Saw Mill Two once filled that space, now occupied only by a stunted skeleton of cinder blocks and rusting steel. There's no great plume of steam. No big pile of logs. Some of the grisly cost of a working mill.

The company laid off the last shift and closed the sawmill six months ago. Now it's being razed.

"It was a scary feeling," veteran sawmill worker Don Payne remembers. "All of a sudden you're not there anymore. I shut down my machine. Got my belongings out of the cage. It

Ted Rabern
Area Representative
Western Council

"It tears my guts out"

We're looking at Roseburg Forest Products Company's Saw Mill One. It's still working. But as you can see, there's practically no logs in the log yard. Normally, that yard would be full.

I've been some sad days. At Saw Mill Two before it closed, I used to come talk to the men when they were playing cards in the lunchroom—grievances and things. Then about a year ago they were down to one crew.

Then there came a day when we came down with ITPA people and recruited some members for retraining. Then there came a day when we came down with the personnel men to announce people's diseases rights.

Even then, there was an underlying hope that it wouldn't happen. The company established that it wasn't their work performance, but the fact that the timber supply went down.

It tears my guts out to see the lack of response from politicians back East when all you're asking is a balance.

BEST COPY AVAILABLE

Lonnie Barnes
Assistant Business Agent
Local 2949

"You wonder what your value is"

When I was 19 or 20 or so, I could step out into the road in the morning, and I had a good solid job at a reasonable wage—physical labor, and I enjoyed it. I had a beautiful wife, and she was pregnant. And I visualized no end to that future.

Today, you take a young man who steps out of the door, and there don't know what there're going to get.

Now, people cannot save enough money to pay on their house that they've been paying on for 20 years. Now, in order for me to feed my children, I'm catapulted out of this society. You wonder what your value is when you can be so easily disposed of.

Go out and listen to this community. It has a different sound, a different smell. This life, this community, what we're all about—we're losing it.

was (not) dry quiet. You could hear a pin drop.

The union officials were there, some company officials. The last cut off the log, everybody signed it.

We turned out quality lumber. I've had company officials tell me it was a mistake to shut that mill down. We couldn't get enough logs, that's what killed it.

What shut down Saw Mill Two—and has caused other mills to lay off or shut down—was the sharp decline in timber from the federal forests that supply 30 percent of their logs.

That decline was not caused by fire, disease, or sudden infestation. It came as the result of a series of federal court orders and agency decisions, each one threatening to remove millions of acres of the public forest from logging.

Last year 44 mills were closed in the Northwest, with 4,675 jobs lost. This year's closures and layoffs are running at an even higher rate.

An hour's drive south of Eugene, where the Umpqua Valley runs between the coastal mountains and the Cascades, Douglas County is home to more forest than 44 of the 50 states.

Some of that is second- and third-growth timber, where cuts made in past lumbering have been naturally reseeded or replanted as a part of modern forest management.

But a good part of it is old growth—relatively untouched stands of fir, pine, and hemlock a century or two old.

Biologists say this is one of the richest forest ecosystems in the world, with a greater variety of birds and animals living here than in many other parts of North America. One of them is the northern spotted owl. Perched near the top of the food chain, say wildlife scientists, the owl is an indicator of the health of the whole ecosystem.

In the late 1980s environmentalist groups—the Sierra Club, the Audubon Society, the Wilderness Society—have been trying to put more and more spotted-owl habitat off limits to logging, arguing that the owl—and the old-growth forests—are threatened.

No one disputes that the owl and the old-growth forest over which it presides should be preserved. But just how much acreage that requires—and how it should be managed—is under furious debate.

And, unless things change, the owl seems more likely to survive that dispute than the Douglas County timber industry—and the towns, businesses, families, and way of life the industry has spawned.

We're environmentalists, too. We don't want to hand our kids a bunch of burnt-over hills," says Ted Rabern, area representative for the UBC's Western Council of Industrial Workers and past business agent of Local 2949 in Roseburg.

"But the environment versus jobs? Our people won't buy that," says Rabern. They know you can have wildlife and you can cut timber, too.

Before the National Forest Management Act of 1976, he says, cut-and-run logging and sawmill wastage were a scandal. Since then, the lumber industry **has done away with its wigwam waste burners and its polluted holding ponds and has installed expensive scrubbers** on the smokestacks of its power houses.

And "people here know these companies are the ones that go out and replant," says Rabern. Then we proceed that over the last ten or twenty years.

Rabern believes that extremists among environmentalists have a political agenda of removing *all* old growth from the nation's timber base—and a good deal of second growth, too. He worries that they are playing on people's justified concerns about the rape of the Brazilian forest.

Their slogan is 'think globally, act locally,' says Rabern. But if you think globally, our forestry is the best that there is.

A few miles further down the road, Roseburg Forest Products' sprawling Saw Mill One is cutting Ponderosa pine that the company is trucking in from eastern Oregon. Even then, the mill's big log yard is nearly empty.

"There's people who still want to blame the company," company head sawyer Darryl Middleton. But there's plenty of good timber available on a sustainable-yield basis that's tied up in restrictions."

So company man, with the help of the local, Middleton has stuck his heels in hard enough to do his sawyering without management crowding him.

Nonetheless, he's also chairman of the local labor-management pressure group, Timber Resources Equal Economic Stability (TREES), which commands space for its meetings in the company offices across the street.

The timber shortage has pitted the workers against each other in a way that Middleton doesn't relish. Between

Do Not Copy

Don Payne
Laid-off Rotary Operator
Saw Mill Two

"I don't know what I'm going to do"

We all got our severance pay— pretty good-sized one, but it didn't last that long. Mine's gone. I don't have any savings. It's only once you get your kids out of the house you can begin saving.

My wife's diabetic. I've been paying $148 a month to continue the insurance. I had to come off the insurance myself, so I could afford it. I can carry her for 16 months.

Every now and then, I drive for one of these limousine companies. It's a little too set-up-ish. I'm not ashamed to go push a hamburger at McDonald's or something. But, damn it, you can't live on that.

I didn't get my grandkids anything for Christmas. I didn't get my wife anything— just a hug and a kiss. We had some turkey at the Moose.

When the unemployment runs out, I don't really know what I'm going to do. I don't know what a lot of us are going to do.

R.D. Moore
Ex-Resaw Operator
Saw Mill Two

"Working right here since I was 17"

When they were running two shifts in this mill, there was 150 men here. There was about 30 when it shut down. Not enough logs, that's what I heard.

Those that got laid off, some of them are going to school, and some of them are doing nothing. I took some classes to learn landscaping for awhile. It didn't amount to nothing.

They rehired me here to work on the demolition. I got my medical back, but my pay went down.

I'm wondering what's going to happen when I'm not rehired here. All the mills are laying off. I'm 54 years old, and it's hard enough to get a job without them laying off. My boy works up in Dixonville in the plywood. He's expecting a closure notice any time.

My father worked in the woods and in the mills in Oklahoma until he hurt his back. Then my mother got burns up and left him with six boys to raise. I come out here, and I've been working right here in Dillard since I was 17.

Royce Bates
Laid-off Electrician
Saw Mill Two

"This was a top little mill"

This was a top little mill. Being an older mill, it was amazing what it was able to do. There's a lot of stuff that automated machinery can't do that a man can do. They shut it down because they couldn't get enough logs to keep it going. But it was profitable.

When they came in and auctioned off all the equipment, I thought it was sad, the low amount of money they were getting. Nobody has any use for it. It was being sold for junk value.

I'm better off than some of the other guys, because I'm an electrician. Some of the others, all they know is production.

R.D., here, he spent 20 years in the control booth, running two resaws. He's the one probably most responsible for the profits in this mill.

BEST COPY AVAILABLE

Randy Fouts
Cutter Driver
Plywood Two

"The resources are there"

I've been back to work for a year. But every time I hear about a crew meeting, I shudder, thinking it's layoff time.

I'll be 44 here shortly. Somebody in my position who's worked in this industry for 24 years, even if I'm retrained, who's going to rehire me or people older than me?

I've been laid off three times since the strike, and each time you've got to keep your health insurance up—that's nearly $400 a month. Unemployment can't cover that.

I have two daughters who are on the health plan. And we've just discovered that my wife has multiple sclerosis—one of her legs is collapsing. They did three MRI scans—that's $3,000 right there.

If I lose my job, and I can't get another job with health care, I'll end up on welfare, because that's the only way I'll be able to get my wife taken care of.

I'd like to straighten this lumber shortage out. It's stupid. We shouldn't be in it. We don't need to be in it. The natural resources are there.

The economy is not going to improve until we put Americans back to work. We have the resources—if they don't get kicked up.

Brad Middleton
Tail Sawyer
Saw Mill One

"Kids going to lose a lot of chances"

If they cut back any further, I'll be laid off.

I don't know what I'll do then. Probably have to move or go back to school. I'd have to leave my kids. You can't really take your kids with you if you're looking for work.

I think the younger people are dealing with the uncertainty better than the older ones. I'm young enough to learn a different trade. I don't have a house payment, just a truck payment.

Dad, everything he's worked for, he's going to have to get rid of. I can't imagine Mom and Dad living in an apartment downtown.

The gal I'm dating right now, she told me that in the last year I'm the only one she's dated with a job.

Kids have a chance here. We don't have the racism, the gangs. But the uncertainty has affected my kids. We can't even get school budgets passed. There's a lot of kids that will lose a lot of chances.

Emma Anderson
Roundtable Orderer
Plywood Two

"There has got to be a compromise"

Things don't look good. From what I can see, I expect them to get worse. If they did, where would I go, what kind of work could I get? You have to have money to relocate.

It makes you wonder if you should get into something else. But, financially, how many people can get retrained, if it comes to that?

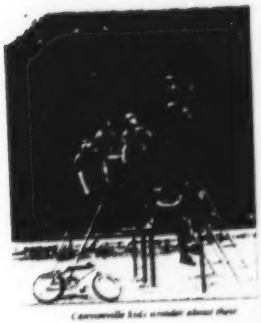
I went back to school and got my GED. But all I could get with a GED would be a minimum-wage job. For office work, you've got to have more than that.

I've been working in the timber industry since I was 20. I like what I do. I know different jobs and move around—it takes skill to a point, otherwise there's not a quality product.

I've got an 18-year-old son. I put food on the table, a roof over his head, get him clothes for school. The hard times made him decide to go to college. He's going to try to work weekend shifts in the mill and as summer help—if the work's there.

Everybody needs to get together and stick together and fight for our jobs, because there just has to be a happy medium. There has got to be a compromise for our jobs and these animals.

BEST COPY AVAILABLE



Canyonville kids wonder about their future.

Saw Mill One and Saw Mill Two it came down to a decision about what to do with the logs.

Two years ago the company put numbers on the head rigs here for higher recovery," he says. "With logs scarce, the one that gets the best recovery out of the log is going to survive."

This was a more modern mill than Saw Two with newer people ended up on the street," says Middleton. It's a new union situation to be competing against your union members."

Middleton has put the same disciplined energy it takes to be a top sawyer into understanding the forces outside Linco. "We're getting the pressure more focused privately from those we deal with on the early trades. That's what we have to deal to [illegible] Forest."

A former [illegible] Middleton is somewhat philosophical about the role in timber shortage is taking on people in the plant. The toughest part is seeing those people who are losing [illegible]

There is no room in the mill for [illegible] There's fear in their eyes.

In the Saw One have turnover over ...ending the empty log yard. Steve Miller 46, worries about the next lay-off. "It's gonna happen, probably in the spring. The log supply is doubtful that it will work more seven days than the last that got laid off.

"Unemployment isn't pretty," says the mill. says Miller, separated from his wife and paying child support. "I pre-[illegible] have to go bankrupt, probably have to throw somewhere else. But my kids are here."

Back down the road near the skeletons of Saw Mill Two, Bruce Bates stares out of the window of his house where he watches ducks, ospreys and an occasional otter on the river.

"Two months after we bought this place the mill shut down," says Bates, 57, who was chief electrician at Saw Two. "I'm a Christian, and for years I've been making good money and studying about living my faith. But I didn't really know what that was all about—living my faith—until I lost my work and my health insurance."

Both Miller and Bates are strong union men. Bates credits the union—and guys like Ted Roberts —with having tamed the companies during the rough times when they thought they had a captive group of people.

In 1989 Roberts and the local took on Roseburg Forest Products in a four-month strike before the spotted-owl crises had fully blossomed. Now companies and union are sitting in [illegible] together pushing strategy on how to solve the crisis. Miller has joined Middleton on [illegible].

Most of the chainmen in the different plants are sharpsawards, explains Middleton. People who have been involved in organized labor. Strong union people.

As well as union production workers and management, the meetings include office workers—and even [illegible] and management representatives from 4 institutions sitting mill up the road.

Talent workers at mills in several [illegible] in plants in Douglas County—and even some of their management—have gained an increasing respect for [illegible] Western Council and the [illegible] ...ers. The council and [illegible] ...ands the fight to keep the mills open. That respect also [illegible] ...others who are [illegible] ...the communities in support of the lumber and timber workers.

"It's organized labor that has turned the lights on in Washington D.C." says Evelyn Badger at her Sears catalogue store in the picturesque town of Canyonville. "You were the force that began to swing this pendulum the other way."

Badger, an energetic, community leader who [illegible]

Evelyn Badger
Proprietor
Sears Catalog Store

"We're talking ghost towns"

For communities built around the mills and logging and trucking, the timber shortage has a domino effect. It tears apart the fabric that holds our communities together.

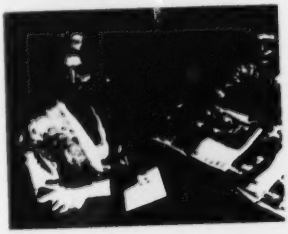
We've owned the Sears store here for eleven years. Now people have become very fearful. Even those who are working are holding on to their money, because they don't know if they are going to have a job tomorrow.

We stand a chance of losing our business and everything we worked for all our lives. And it's not just us—we're talking entire communities becoming ghost towns.

Our food bank gave out 50 boxes last Saturday. We have a drawing for the boxes, because we have such a tremendous number of names of unemployed timber workers.

We started our grassroots organization out of frustration, when it became clear that not just the timber workers were being affected in this crisis. Then grassroots began to spring up all across the state.

When you take people from all over this nation and have organized labor with them, Washington has just got to [illegible] us.



BEST COPY AVAILABLE

Against the Grain

L-P's Renegade Policies Are Another Reason for Action

Logs coming from federal forests down to nearly nothing. Others unavailable. Mills laying off or closing. Lumber and timber workers teetering on the edge. How did we get into this mess?

Since the late 1980s, environmental groups have gone to court with injunction after injunction, closing millions of acres of federal forests to logging. They've used the threat to the spotted owl to do so.

But one blatant example of the forest practices that have brought us to this divide is Louisiana-Pacific's brutal overcutting of its vast Northwestern acreage during the 1980s.

L-P owns its stockholders, longtime employees, their families, and the dependent communities a better legacy. Charged Forester Bob Morris last year: L-P was cutting timber twice as fast as it can grow. Morris accused. That's liquidation," he said.

Morris was resources manager for L-P's Western Division, and he made these charges in memos to L-P boss Harry Merlo. Merlo fired Morris, but he couldn't muzzle the ex-Marine, whose dad drove logging trucks.

L-P's liquidation of its Northwestern redwood was part of a renegade strategy to drive down wages, gobble up competitors, keep Wall Street at arm's length, and emerge as the dominating forest products corporation, whatever the cost.

With extensive timber holdings in the South, L-P left the industry's multi-employer bargaining group in 1983 and forced a brutal strike.

Merlo made no bones about his intention to drive the wage-benefit package down from the $14-15 an hour paid in the Northwest to the $9 an hour he was paying in the South.

Since then, Merlo has begun talking about $6-an-hour wages. And L-P recently opened a finishing mill in Ensenada, Mexico, where it pays workers less than that per day. Drying and planing redwood barged down from northern California, the mill reexports the lumber to southern California.

Ironically, Merlo blames the shortage of logs from federal forests for his overcutting. Early this year he told employees that he had planned on a much greater harvest of federal timber.

He may have done so because L-P executive John Criswell had joined the Reagan administration to run the Forest Service. While there, Criswell helped precipitate the current fight over federal timber by advocating that the old-growth harvest be doubled.

L-P has stopped overcutting, brought into line by public pressure and state forestry codes which the Brotherhood has supported.

Nonetheless, L-P's pleas that its predicament is reflect market forces need to be taken seriously.

In his memos to Merlo, Morris indicates that L-P's overcutting was driven by a fear that standing timber made the company vulnerable to a Wall Street raid.

The timber industry is exporting unprocessed logs.

the real grass-roots support for forest products workers. Now is the time for all of a statewide coalition of such groups.

But it's in Canyonville where she's seen first hand the broader effects of the crisis.

At Christmas time we had a laid-off family with four small children going door to door asking for work," she says. The kids' shoes were out and they took them out of school.

We have a President who just a few weeks ago talked about getting housing started. And here we are—a state that provides 40-40 percent of the nation's softwood lumber—begging to be put to work.

In her courthouse office in Roseburg county commissioner Joyce Morgan is exasperated. Federal timber sales are vastly important for us," she says, since they supply 65-70 percent of the county's operating revenues. And the need for county services is going up, just as the revenues are going down.

We've seen a great increase in marriages breaking up and spouses treating children in a violent manner," says Morgan. The laid-off timber workers tend to brood and strike out. They're distressed; their self-worth is being challenged.

I'm totally frustrated by the system not working," says Morgan, a third-generation resident of Douglas County, elected with labor support. We have gone through the process and it has not worked.

Two other stops in Roseburg underscore her frustration.

At the food bank, Ray Olson is filling boxes with what amounts to three-days worth of emergency food. Olson, who was head sawyer at Saw Two before retiring in the '70s, says he is now seeing some Saw Two workers coming into the food center hungry.

At the other end of town, under a bridge in a county park, three families are living in tents and trailers.

Two of the young men have worked at least two jobs at one time or another. Now they are grateful for whatever low-wage work they can find. My last job was washing dishes at Denny's," says one.

Trying to stay in Roseburg until his two daughters finish the school year, the other laments. They're not used to it. They're used to having a nice place. They want things to be better."

In Washington, D.C., Douglas County's two timber supports flank the

BEST COPY AVAILABLE

Lumber Union and the Brotherhood's general headquarters. The other is Congressman Peter DeFazio's office.

DeFazio is a sponsor of the Forests and Communities Protection Act, the bill to save both jobs and forests that the West, the Gores, and the Hatfield-Reed helped write and have put their clout behind. DeFazio also authored an act passed in 1990 that bans the export of logs from federal lands.

The interests of workers and organized labor are never going to be identical with the mill owners," says DeFazio, who was elected with IBC support and has walked sawmill workers' picket lines.

But the union has played a key role as a bridge in building a coalition with the more moderate parts of industry and the more moderate conservationists to reach a balanced solution."

Ray Leland (l.) and Ron Olsen box food.

"Are we for cutting the forest down just for jobs now? No, there'd be nothing left for our children," says the Western Councils Ted Rabern in Rosemure. But those thousands and thousands of people out there. Let's work something out.

Rabern, who reminisces about stopping his big logging truck to move lizards off the road with a stick, so as not to step on their toes with his semi, sometimes sounds like old John Muir, the cedgy gent who founded the Sierra Club a century ago.

Muir thought the great trees "the very gods of the plant kingdom (to be) watched and loved and admired from generation to generation."

But, like Rabern, Muir said he was also certain that "our forests, under rational management will yield a perennial supply of lumber for every right use without further diminishing their area."

Peter DeFazio
U.S. Representative
4th District, Ore.

"Close to the edge"

What we need are stable rural communities with employment, as well as viable forests—a balanced solution.

The Bush administration has made the wrong move at every critical juncture in this crisis. Two and a half years ago, the entire Northwestern delegation agreed to a solution. Then, some months into it, the Forest Service stopped work on its part. Eventually, the administration came out with a press release that "Congress should do something."

It's in the interests of the administration to keep trees drawn and wounds raw. You can't use race to divide people in the Northwest. But you can use this issue.

We're going through a major change in the way we manage our forests. I can walk out my door in Springfield and talk to people who are impacted. But a lot of people in Washington don't understand how close to the edge these people and their communities are.

I've said to the administration, "Let's establish the principle of no loss of jobs." If the harvest is going to decrease, our first objective is a predictable, stable harvest, our second is to get the displaced into family-wage jobs.

Tia and Her Family
Jobless, Homeless
Arrive her County Park

"My mom's laid off, my step-dad, too"

My daughter's showing you a picture of us when we had a house.

It's cold, living out here in a tent. Two of the kids have colds right now. But as long as they stay in the tent, they stay warm.

My husband lost his job and we separated. It's hard, going from job to job, not being able to be stable. It'd be easier if the rent would go down on housing. I'm raising three kids on $500 a month.

We've got to move tomorrow morning. We don't have any money, and it costs $6 a night to stay in the park. When we leave the tent, people are coming in and stealing our food. Three have live at the end of the park without a tent. The oldest can't be 17.

My mom's laid off from the Roseburg plant in Dillard. My step-dad is laid off, too—he hauls chips. My grandparents have a stump-removal business, but their business is down, too.

Sure, I'd take a job in a mill—if they were hiring.

BEST COPY AVAILABLE

A Balanced Solution

The Forests and Families Protection Act Safeguards Both Jobs and Environment

"Roseburg is at the heart and center of this tragedy," says Mike Draper, secretary-treasurer of the UBC's Western Council of Industrial Workers. "But there are a hundred other communities affected just like this."

For them, as well as for the Northwest's old-growth forests and the spotted owl, passage of the Forest and Families Protection Act may be the key to survival.

"Sustainable Ecology, Sustainable Economy" has become a byword almost everyone agrees with in the fight over federal forest policy. Even the Wilderness Society calls for an "economic transition strategy" for timber workers and their communities.

But words are cheap. While the battle over the forest rages, the jobs of a hundred thousand real people in the Northwest are at risk.

And with almost no timber now coming out of federal forests, rising lumber prices are expected to drive new-house costs up an average of $3,500. Some fear a lumber shortage may hamstring the recovery.

Additionally, alternatives to careful harvesting of Northwestern timber may be even more environmentally damaging.

The devastating cut-and-run logging of some other timber-rich countries—Brazil and Indonesia, for instance—is an international scandal. And wood substitutes such as steel and aluminum are environmentally very costly.

To lobby for a balanced solution, the Brotherhood has pulled together a Timber Industry Labor-Management Committee.

After decades of being on the opposite sides of the table, the unions and the companies—among them some of the very largest in the forest-products industry—have agreed to a national campaign that deals only with timber supply.

"We had to convince Congress that environmental votes are not free votes when they cost jobs," says Draper. The coalition has been successful in keeping the most radical attempts to limit cutting in the federal forests from coming to a vote.

Now it is lobbying for the Forests and Families Protection Act, sponsored by Senator Robert Packwood (R-Ore.) and Rep. Les AuCoin (D-Ore.).

Mike Draper

The bill sets aside sufficient federal forest to protect old growth and the spotted owl, while establishing a stable timber harvest on public lands and providing economic help for the transition that forest-products workers and their communities must make.

The coalition faces an uphill fight. Environmental groups pay lip service to helping lumber and timber workers survive. But, in fact, "the real people of [the timber communities] have been cruelly ignored—written off—by the mainline conservation communities," comments John G. Mitchell in *Audubon Magazine*.

And President Bush opposes legislation to economically assist displaced timber workers. "We don't want to be setting a precedent," the administration explains.

"Carpenters and their families should make sure their legislators are aware we're not talking about destroying the forest," urges Mike Draper, Western Council's Mike Draper. "We're talking about saving people's lives, jobs, futures, and a way of life that's been going on for generations."

Some 20,000 timber and lumber workers demonstrated in Portland in 1990.

BEST COPY AVAILABLE

STATE-BY STATE BREAKDOWN OF SPECIES LISTED UNDER THE ENDANGERED SPECIES ACT

Employment And Productivity Subcommittee Member's States

Submitted by:
Senator Mark O. Hatfield to
The Subcommittee On Employment
And Productivity
May 14, 1992

Illinois

SENATORS DIXON & SIMON:

Illinois currently has 20 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Gray Bat - E
Bald Eagle - E
Arctic Peregrine Falcon - E
California Tern - E (bird)
Iowa Snail - E
Pocketbook clam - E
Bush-clover - T
Prairie Orchid - T
Pitcher's Thistle - T
Indiana Bat - E
American Peregrine Falcon - E
Piping Plover - E,T (bird)
Pallid Sturgeon - E
6 different Mussels - E
Aster (flowering plant) - T
Lakeside Daisy - T
Pogonia (plant) - E

Illinois currently has 92 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Wisconsin Puma, Eastern Woodrat, Plains Spotted Skunk, Southern Pygmy Shrew, the Northern Goshawk and several bugs, shrimp, clams, mussels, mamals, birds and fish.

IOWA

SENATORS GRASSLEY & HARKIN:

Iowa currently has 15 species that have been listed as either endangered (E) or threatened (T). Some of those species include:

Indiana Bat - E
American Peregrine Falcon - E
Piping Plover - T
Pallid Sturgeon - E
Higgins' Eye Pearly Mussel - E
Bald Eagle - E
Arctic Peregrine Falcon - T
Least Tern - E
Iowa Pleistocene Snail - E
Mead's Milkweed - T

Iowa currently has 51 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Plains Spotted Skunk, Wisconsin Puma, Northern Goshawk, Henslow's Sparrow, Black Tern, Cerulean Warbler, Harlequin Duck, Loggerhead Shrike, Black Rail, Long-Billed Curlew, as well as several reptiles, fishes, clams, mussels, snails, bugs and plants.

KANSAS

SENATORS DOLE & KASSEBAUM:

Kansas currently has 15 species that have been listed as either endangered (E) or threatened (T). Some of those species include:

Gray Bat - E
Whooping Crane - E
Bald Eagle - E
Arctic Peregrine Falcon - T
Least Tern - E
Indiana Bat - E
Eskimo Curlew - E
American Peregrine Falcon - E
Piping Plover - T
Black-Capped Vireo - E

Kansas currently has 48 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Wisconsin Puma, Plains Spotted Skunk, Kansas Bog Lemming, Swift Fox, Northern Goshawk, Baird's Sparrow, Henslow's Sparrow, Alligator Snapping Turtle, Lake Sturgeon, as well as several other birds, reptiles, fishes, clams, mussels, bugs and plants.

MARYLAND

SENATORS SARBANES & MIKULSKI:

Maryland currently has 18 species that have been listed as either endangered (E) or threatened (T). Some of those species include:

Indiana Bat - E
Bald Eagle - E
Arctic Peregrine Falcon - T
Hawksbill Sea Turtle - E
Loggerhead Sea Turtle - T
Dwarf Wedge Mussel - E
Delmarva Peninsula Fox Squirrel - E
American Peregrine Falcon - E
Piping Plover - T
Leatherback Sea Turtle - E
Maryland Darter - E
Beach Tiger Beetle - T

Maryland currently has 70 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Southern Pygmy Shrew, Eastern Small-Footed Bat, Eastern Woodrat, Long-Tailed Shrew, Southern Water Shrew, New England Cottontail Rabbit, Northern Goshawk, Harlequin Duck, Bog Turtle, Cheat Minnow and several other birds, clams, mussels, snails, bugs and plants.

MASSACHUSETTS

Senators Kennedy & Kerry:

Massachusetts currently has 15 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Bald Eagle - E
Arctic Peregrine Falcon - E
Roseate Tern - E,T
Leatherback Sea Turtle - E
Plymouth Turtle - E
Burying Beetle - E
Puritan Tiger Beetle - T
Pogonia - E (plant)
American Peregrine Falcon - E
Piping Plover - E,T (bird)
Hawksbill Sea Turtle - E
Loggerhead Sea Turtle - T
Dwarf Wedge Mussel - E
Beach Tiger Beetle - T
Sandplain Gerardia - E (plant)

Massachusetts currently has 42 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Monomoy White-footed Mouse, Martha's Vineyard Short-tailed Shrew, Nantucket Short-tailed Shrew, Beach Vole, New England Cottontail Rabbit, Northern Goshawk as well as several fish clams, mussels, snails and bugs.

Minnesota

SENATORS DURENBERGER & WELLSTONE:

Minnesota currently has 9 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Gray Wolf - T
American Peregrine Falcon - E
Higgins' Eye Pearly Mussel - E
Minnesota Trout Lily - E
Artic Peregrine Falcon - T
Bald Eagle - T
Piping Plover - E,T
Prairie Bush-Clover - T
Western Prairie Orchid - T

Minnesota currently has 57 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Wisconsin Puma, North American Lynx, Plains Spotted Skunk, the Northern Goshawk, Blanding's Turtle, as well as several mammals, bugs, birds, snails, plants, and fishes.

New Mexico

SENATORS DOMENICI & BINGAMAN:

The Mexican Spotted Owl (aka Southern Spotted Owl) has been proposed for listing by U.S. Fish and Wildlife. There are approximately 2,100 of the owls, all on public lands. About 60 percent of the land is currently managed for timber production. Endangered Sqawfish held up a $582 million water project designed to supply water to four Indian tribes and Southwest Colorado and New Mexico.

New Mexico currently has 32 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Mexican Long-nosed Bat - E
Whooping Crane - E
American Peregrine Falcon - E
Least Tern - E
Chihuahua Chub - T
Loach Minnow - T
Spikedace - T
Gila Trout - E
Socorro Isopod - E
Mesa Verde Cactus - T
Mancos Milk-Vetch - E
McKittrick Pennyroyal - T
Sacramento Mountains Thistle - T
Gray Wolf - E
Bald Eagle - E
Arctic Peregrine Falcon - T
New Mexican Rattlesnake - T
Pecos Gambusia - E
Beautiful Shiner - T
Yaqui Topminnow - E
Woundfin - E
Knowlton Cactus - E
Sneed Pincushion Cactus - E
Rhizome Fleabane - T
Sacramento Prickly Poppy - E
Gypsum Wild-buckwheat - T

New Mexico currently has 129 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Mexican Long-tongued Bat, Arizona Black-tailed Prairie Dog, Spotted Bat, Organ Mountains Colorado Chipmunk, White-sided Jack Rabbit, Hot Springs Cotton Rat, Swift Fox, Long-billed Curlew, as well as several other mammals, birds, bugs, plants, and fishes.

South Carolina

SENATORS THURMOND & HOLLINGS:

The Red Cockaded Woodpecker has impacted pulp and plywood production in the Southeast. Logging sources have said that the allowable sale quantity of timber in that region may be cut from 1.4 billion board feet to just over 600 million board feet in order to protect this bird. This represents more than a fifty-percent reduction in logging in this region.

South Carolina currently has 29 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Indiana Bat - E
Bald Eagle - E
Artic Peregrine Falcon - T
Wood Stork - E
Eastern Indigo Snake - T
Hawksbill Sea Turtle - E
Harperella - E
West Indian Manatee - E
American Peregrine Falcon - E
Piping Plover - T
Red Cockaded Woodpecker - E
Green Sea Turtle - T
Canby's Dropwort - E
Pondberry - E

South Carolina currently has 129 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Southeastern Myotis, Hilton Head White-tailed Deer, Northern Goshawk, Henslow's Sparrow, Loggerhead Shrike, as well as several other mammals, birds, bugs, and plants.

Utah

SENATORS GARN & HATCH:

Utah currently has 30 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Black-footed Ferret - E
Whooping Crane - E
Desert Tortoise - T
Colorado Squawfish - E
Lahontan Cutthroat Trout - T
Wright fishhook Cactus - E
Welsh's Milkweed - T
Utah Prairie Dog - T
Bald Eagle - E,T
Bonytail Chub - E
June Sucker - E
Dwarf Bear-poppy - E
Toad-flax Cress - E
Barneby Ridge-cress - E

Utah currently has 216 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Pygmy Rabbit, Gunnison Island Kangaroo Rat, Spotted Bat, Northern Goshawk, Chuckwalla, Ferruginous Hawk, as well as several other mammals, birds, plants, and fishes.

Washington

SENATORS ADAMS & GORTON:

The Northern Spotted Owl has become such a problem in the Pacific Northwest that an additional job losses could be in the tens of thousands if further protection for the bird takes place. Furthermore, endangered salmon listing has threatened the shipping, farming and power industries in Washington.

Washington currently has 14 species that have been listed as either endangered (E) or threatened (T). Those species include the:

Grizzly Bear - T
Columbian White-tailed Deer - E
Bald Eagle - T
Aleutian Canada Goose - E
Brown Pelican - E
Oregon Silverspot Butterfly - T
Olive Ridley Sea Turtle - T
Woodland Caribou - E
Gray Wolf - E
Arctic Peregrine Falcon - T
Northern Spotted Owl - T
Green Sea Turtle - T
Leatherback Sea Turtle - E
American Peregrine Falcon - E

Washington currently has 91 species which are candidates that are being considered for protection under the Endangered Species Act. Some of those species include:

Pygmy Rabbit, Tacoma Western Pocket Gopher, Marbled Murrelet, Northwestern Pond Turtle, Long-billed Curlew, Harelequin Duck, as well as several other mammals, birds, bugs, plants, and fishes.

Senator HATFIELD. Mr. Chairman, I would like to get to the witnesses, and I don't want to take a great deal of time in my own statement. But I would like to highlight and ask that my full statement as printed be entered in the record.

Senator SIMON. It will be entered in the record.

Senator HATFIELD. Mr. Chairman, let me put this particular proposal into context. I believe the basic concept this country and this Government has committed itself to is to assist people and communities in the shift and the change of our industrial structures. We must assist employees who are dislocated, or whatever we want to apply as a definition—who have been forced out of work. That policy that we just amended a few weeks ago is the cornerstone of this proposal.

The second part of this background or context that I'd like to call attention to is that when we put the Clean Air Act into place, we envisioned the possibility that the implementation of that act would create unemployment and dislocation of a number of industries. As a consequence, we provided certain specialized training programs for those people forced out of work.

We are now building on that foundation by offering a proposal that would in effect, apply the same kind of principle to those affected by the application of the Endangered Species Act.

I want to make certain that it is fully understood that this proposal in no way amends the Endangered Species Act. It has nothing to do with the reauthorization of the Endangered Species Act directly, except I think it can help build a support base to reauthorize the Endangered Species Act.

As I said yesterday before Senator Baucus' hearing, as the author of the 1972 Endangered Species Act, and as a coauthor in 1973, the one that we adopted and have modified since—and I have supported those modifications—I am for the reauthorization of the Endangered Species Act. And I say that recognizing that its application and implementation as it relates to the timber industry in the Northwest is something we never envisioned would affect vast regions of public and private lands. We were thinking in terms of site-specific, species-specific, like the snail darter and TVA in Tennessee.

But now the Endangered Species Act has been applied to major parts of three States—the northern part of California, western Oregon and western Washington. Its application to a huge region of our country is really just beyond comprehension of the ultimate impact. In Oregon, we have already lost over the last year and a half about 17,000 direct jobs. We figure there may be two to three indirect jobs lost for every direct job that has vanished in the timber industry.

We are now awaiting the recovery plan for the spotted owl which will be announced today, and whether this plan will add another 31,000 jobs to the 17,000 that we have already lost in Region 6, Oregon and Washington.

In addition to that, we will find that as we seek to save and restore the salmon in the Columbia River, we have now moved to parameters that are absolutely without any end in sight, because we are talking about fisheries; we are talking about 63 percent of the Northwest energy supply in the hydro energy facilities we have

under Bonneville Power; we are talking about navigation and the fact that we are one of the great gateways to the Pacific Rim countries, and we are talking about irrigation and agricultural production, which is Oregons major commodity of export. We are talking about so many implications here for Idaho, Montana, Washington, and Oregon that if we set a precedent here with the spotted owl, as we are in the process of doing, the effects will be disasterous. Remember that we have had five Federal district judges and the 9th Circuit Court of Appeals make rulings against land and wildlife management agencies' application of the Endangered Species Act.

We are establishing judicial precedent that when it comes to the management of our natural resources and animal life, the courts, not the on-the-ground experts, will run the show. And the number of applications for endangered species in all 50 States, Illinois as well as Oregon and Washington, is dramatically increasing. We now have, as you can see on that left-hand chart, 1,214 listings. We have on the next chart over to the right 7,000-plus candidates for listing. We have on the chart on the left 94 already listed in California, with 1,000 more on track to be considered for listing; 1,000 more in Hawaii to be considered for listing, and we have 18 States with 100 or more potential candidates.

We have found a sturgeon in the Alabama River that could affect half the flow of that river from Mobile to the Gulf of Mexico, as well as thousands of jobs and billions of dollars in river commerce.

In the San Francisco Bay, protection for the delta has caused smelt one ship to run aground because of the lack of dredging, and the fact is that that's a $4 billion industry in San Francisco Bay area alone.

Now, this is the point I am making about the indirect impact on the reauthorization. It seems to me that we now have a law that has totally dehumanized and depersonalized the impact of the Endangered Species Act. We are now saying in effect that animal life, wild life and plant life is of incalculable value, and when we drafted that bill in 1972, Mr. Chairman, we assumed that human life was of incalculable value—but we did not state it in the law. And as a consequence, the courts have taken a strict interpretation. They are saying in effect that wild life and plant life is above all else. To me, that is going to undermine the possibilities of having an endangered species reauthorization next year because I have had colleague after colleague come and say to me, "Hey, I didn't understand this problem about the Northern spotted owl until I was dealing with the red-cockaded woodpecker," or "until it applied to my State." Up until now, only free public land has been locked up in the Northwest, so it has, therefore, been no skin off of anybody's nose.

But now, I must say that the application of the Endangered Species Act is on private land. If you have a private wood lot in Oregon, and there is a spotted owl on that wood lot, you can be subjected to criminal proceedings if you cut your tree, which has been declared a critical habitat.

The Government does not reimburse you for the value of that private wood lot that you own. And so we could say that by transferring the harvest demand by locking up the Northwest, we are

going to put that harvest demand on the 13 Southern pine States, and I don't think there is more than a handful of them that have any regulation on timber production or timber harvest. We have a 50 year-old law in our State—you cut one, you plant one, however, we have averaged five trees planted for every one that has been cut.

Unless we begin to address the human factor in the application of the Endangered Species Act, we are going to lose support for the reauthorization of what I consider a very good law but one that has been imbalanced because we have not considered the human factor, the human impact. Some people like to say the economic impact. That's very nice. You say the economic impact, and you don't have a human face on that. Many in the environmental community who are on the fundamentalist side—and I say it is a kind of fundamentalism whether it is in religion or in environmental issues—have felt that somehow these are not important considerations as long as we are going to protect the owl or, as they flippantly often say, "Well, let them train for a tourism job," because after all, the tourist industry is growing in our State.

Well, Mr. Chairman, that is saying in effect the heck with people; we aren't interested in the application of this other than for the protection of the owl.

I think we can minimize that by this proposal—and again I emphasize it in no way amends the Endangered Species Act. I believe it goes a long way toward getting a political base to support a reauthorization. I have even heard some of my colleagues talk about filibustering a reauthorization if necessary to get a balance that we do not have now between wild life, plant life, the environment, and the impact on the human species.

Having said that, I just want to briefly tell you again what this bill does and does not do. We are trying to address the problem of not just the dislocated worker in sawmills and timber operations per se; we are trying to save the rural communities of our State. Mr. Chairman, we have 81 communities with a population reaching almost 500,000 where they have a one- or two-mill economy. You know Oregon; you have campaigned in Oregon. We boast of your birth in Oregon. The fact is—and this applies to my good friend from Washington State, Senator Adams, as well, although perhaps not with the intensity as in Oregon because we produce far more in timber products than the State of Washington—nevertheless the point is we have 81 communities—that means 81 city governments or community enterprises of fire protection, police protection, school elections, school bonds, schoolhouses. We have road construction, and we have all of those other resources that make up a community. If that mill closes, or if those two mills close, that is the economy of that town. We aren't talking just about individuals; we are talking about entire communities.

In order to keep people in the community in the rural parts of Oregon, instead of having them go into the Portland metropolitan area, exacerbating the urban problems that we have our own share of, we are attempting to help these people stay in those rural communities.

A problem we have today in the Job Training Partnership programs is that we have about 26 weeks of unemployment compensa-

tion, and many of these educational and training programs last 1 to 2 years. So there is a gap. They get perhaps 26 weeks of training, however, they cannot complete these programs. So we are trying to bridge that gap between the time that they lose their unemployment compensation eligibility and the time that they have completed their work in retraining.

The person here today who is going to testify in the next panel comes here as a former timber worker. Bruce Deal is now completing his nurse's training program in a community college in his community. But the point is that he has not finished, and if you look at his resource base, he can't finish, and that's the problem. He could be an R.N. We have a great need for nursing in our State, as in most States. And to me it is absolutely unconscionable that we should let Federal policy apply to human lives where we cast them out in the streets.

I cannot help but take this moment for the homeless. One of the fastest growing segments of the homeless population, as you well know because you have been on that battle line as well, is families with children. And why? Because we impact their jobs—such as in this case, with endangered species in my State of Oregon. They cannot meet their payments, they can't meet their home mortgage, their car payments, so they are pushed into the streets by the same Federal policy that, when we voted for it, when I helped author it, never had any intent of impacting the human species in that manner.

This bill is the way I think we can help compensate for that particular impact and deal with the human factor.

Now, you might want to go into detail, and let me say I am very flexible on this. We took the idea of this bill from the Clean Air Act. What we are trying to do is to assist in networking, in providing the dislocated workers with information about where to go and how to get into a network of opportunity through the existing retraining programs. That is why we have Mr. Norm Gershon here today, who is a former public school teacher and is now president of Umpqua Training and Employment, Incorporated, a retraining program that helps dislocated mill workers and others.

We want to help dislocated workers by providing them a network of information and knowledge. We want to provide the monetary assistance to fill the gap between unemployment compensation and the completion of their job retraining program—a financial floor, if you please.

Mr. Chairman, I'm going to stop at this point because I get wound up on this subject, and I oftentimes don't have my terminal facilities—you mentioned our dear friend Hubert Humphrey, who was so often noted amongst his dearest friends as well as his critics as having no terminal facilities, or limited terminal facilities. And I would love to just pay honor to Senator Humphrey this morning by imitating him, but I shall refrain from that temptation.

I want to go over the witnesses very briefly with you. On the first panel, as I said, Mr. Bruce Deal was a timber worker in Roseburg, OR. He started working for Roseburg Forest Products in 1968 as a resaw operator. In September 1991, Mr. Deal was laid off and is now in a job retraining program in Roseburg, as I indicated. He

plans to receive his R.N. degree in nursing next year, and consequently, this could have a very important impact on his future.

Senator SIMON. If I could just interrupt, Senator Thurmond is going to have to leave. Before you go on to describe the other members of the panel, let me ask Senator Thurmond if he has any opening comments.

OPENING STATEMENT OF SENATOR THURMOND

Senator THURMOND. Thank you very much, Mr. Chairman.

The Judiciary Committee is having a nominations hearing, and I must get down there, so I would ask unanimous consent that my statement appear in the record.

Senator SIMON. It will be entered in the record.

Senator THURMOND. And I want to welcome the able and distinguished Senator from Oregon here this morning. I think he has made a magnificent statement, and there is great merit in what he has to say.

We have lost thousands of textile workers' jobs in my State because of Federal action or lack of Federal action, so I understand what he is talking about. I just want to say that we have got to consider our rural areas in dealing with these issues. The rural people are going to move into town if they can't make a living in the rural areas, and we must do all we can to keep them in the rural areas—and I think it is wonderful to live in the rural areas; it's the best place in the world to live, and we ought to try to do it.

So again, Senator Hatfield, I want to welcome you here and commend you for your fine statement and all you are doing to try to help your people.

[The prepared statement of Senator Thurmond follows:]

PREPARED STATEMENT OF SENATOR THURMOND

Mr. CHAIRMAN. It is a pleasure to be here this morning to receive testimony about the economic impact the Endangered Species Act has had upon workers in the Oregon timber industry. I wish to join in welcoming the distinguished senior Senator from Oregon, Senator Hatfield, a strong advocate for job retraining and dislocated worker assistance. I am pleased that we will be receiving testimony on your bill, S. 2491, the Endangered Species Employment Transition Assistance Act of 1992.

As we consider this legislation and the testimony, it is important to think about the broader question of what other Federal laws and regulations have had upon families and the economy of this Nation. While many of these laws start out with the best of intentions, the impact over time has in some cases been devastating.

I certainly share in some of the concerns of the senior Senator from Oregon, and his deep-felt desire to provide more assistance to dislocated workers. On a related matter, in my home State of South Carolina, we have lost 34,700 textile jobs over the past 10 years because of the trade policies of this country. For the Nation, the number is 145,000, with an additional 238,000 lost in the apparel industry. I might also add that across the country, 332 textile mills have closed over the last 10 years and 174 in my home State. So, I can appreciate his concerns.

Mr. Chairman, in closing, it again is a pleasure to be here, and I look forward to reviewing the testimony on how the Endangered Species Act has impacted the working men and women of Oregon.

Senator HATFIELD. Thank you, Senator. I am very honored that you took the time to come over here today to indicate your keen interest.

We will also hear this morning from Ms. Preus-Braly, Mr. Chairman, who is the program manager for the Oregon Job Training Partnership Administration. She is one of our top women administrators in the Roberts Administration and has a very outstanding background; I'll let her tell you a little bit about it. She comes from the firing line of experience.

You have already recognized Ms. Ann Abel, who is a former Illinoisan and who has recently come to Oregon. Ms. Abel is not testifying this morning but she has come this morning to indicate her keen interest and that of the Roberts Administration as the new executive director of the Oregon Consortium.

Mr. Chairman, we will also hear from Mr. Irv Fletcher, who is the president of the Oregon AFL-CIO which represents more than 84,000 members throughout the State.

Then we'll hear from Mr. Denny Scott, a staff economist for the United Brotherhood of Carpenters and Joiners of America, and Mr. Calvin Johnson, who is a legislative representative for the AFL-CIO.

One last word. I want to thank Secretary of Labor Lynn Martin at this point. Mr. Chairman, you were very much involved in trying to get the Job Training Partnership Act Amendments through without any amendments, and consequently speed it on its way. And we all understand the legislative procedures on that, but also at the time you were making an appeal to keep the bill free from such amendments—although you certainly indicated great compassion for the needs of these people— Secretary Martin came upon the Hill, and we had discussions with her, as she was supporting your position and anxious to get this bill passed. In the meantime, she has continued her interest in talking to our key people from Oregon, and to me, trying to work out some kind of an arrangement that would be helpful with these job dislocation problems in the timber industry.

And Mr. Colombo, who has become her point-person, is here this morning as well.

With that, Mr. Chairman, I want to thank you very much for this opportunity.

[The prepared statement of Senator Hatfield follows:]

PREPARED STATEMENT OF SENATOR HATFIELD

Mr. CHAIRMAN. I would like to begin by thanking you and the members of this committee for the opportunity to appear before you to discuss S. 2491, the "Endangered Species Employment Transition Assistance Act of 1992."

Presently, Congress is in the process of considering several Federal policy initiatives which could cause significant job loss in certain industries or regions. These Federal initiatives include the proposed North American Free Trade Agreement (NAFTA), application of new Clean Air Act protections, and further reductions in defense spending.

The legislation we are discussing today, addresses a class of dislocated workers ignored by the current system. That is workers who lose their job as a result of the Endangered Species Act.

As the original sponsor of endangered species legislation in 1972, I have long supported laws to insure responsible stewardship of the environment. However, it is my view that the Endangered Species Act is today being applied in a manner far beyond what any of us envisioned when we wrote it 20 years ago. We did not foresee the impact on human beings at that time, but it is becoming much more evident today.

The Endangered Species Act now affects millions upon millions of acres of publicly and privately owned land; it affects tens of thousands—if not hundreds of thousands of human beings; and it affects scores—if not hundreds of rural communities. I believe that the unforeseen application of the Endangered Species Act has had a tremendously adverse affect on the working people of America. It is my contention that these people must be assisted with the results of this particular Federal policy.

Regional consequences of the Endangered Species Act are not isolated to the Pacific Northwest. In fact, there are just over 1,214 species currently listed as threatened or endangered in the 50 states. Furthermore, there are 7,202 species or subspecies that are considered to be "sensitive" or "candidates" species. For the states represented by members of this subcommittee alone, there are 197 listed species and 925 candidate species.

As you can see by these charts, every state in America presently has both animals and plants listed as threatened or endangered. I find it particularly disturbing that there are literally thousands of "potential" candidates. You will also notice Hawaii and California have one thousand or more potential candidates for listing, while 18 other states currently have more than one hundred "potential" candidates.

Mr. Chairman, we always considered the human element as central to the success of the Endangered Species Act. It will not survive unless Americans support it. My legislation is central to reestablishing a human face for the Act.

Through my frequent travels across the state of Oregon, I have often heard the despair from dislocated timber workers that, due to financial constraints, they are unable to complete many of the training or educational programs offered through Title III of the Job Training Partnership Act. The problem, they tell me, is that many of these programs last from 1 to 2 years while their unemployment insurance lasts only 26 weeks—barring any State or Federal extensions.

One must understand that many of these dislocated workers have very little—if any—family savings, and are therefore, often dependent on unemployment insurance as their only means to provide for their everyday needs. Furthermore, those workers who do enter training or educational programs are often forced to quit once their unemployment insurance runs out.

My legislation, which is virtually identical to the provision in the Clean Air Amendments that dealt with worker dislocation, would create a new section under Title III of the Job Training Partnership Act. This section would establish an employment transition assistance program for dislocated workers who lose their jobs due to actions taken to comply with the Endangered Species Act. Specifically, this bill would authorize $50 million per year for 5 years, of which 95 percent of the funding would go to the worker assistance programs and the remaining 5 percent would be used to administer the program through the Department of Labor.

In addition to the benefits currently available to dislocated workers under the Job Training Partnership Act, people who lose their jobs due to protections of threatened or endangered species would be able to receive job search allowances, needs-related payments or extended monetary assistance *if* they are participating in a qualified training or educational program. Needs-related payments would provide a financial floor for workers who are adjusting to career changes.

This legislation would provide that if a dislocated worker is enrolled in a qualified training or educational program which exceeds the period of time for which they are eligible to receive unemployment insurance, they would be eligible to complete that program with further monetary support. This monetary support would be equivalent to either the amount they received from their unemployment insurance, or the amount necessary to bring their income up to the Federal poverty level.

Mr. Chairman, there are 81 communities in Oregon alone with a population approaching 500,000 people who will be hurt by efforts to protect the northern spotted owl. It will cost us over $2 billion in lost income, and more than that in revenues to local, state, and federal treasuries. Therefore, discussing ways to mitigate these job losses is urgent. I believe that S. 2491, the "Endangered Species Employment Transition Assistance Act" is vitally important to the many thousands of workers, not

just in the Pacific Northwest, but across this country, who have lost or will lose their jobs due to the enforcement of the Endangered Species Act.

In the last 2½ years alone, Oregon has lost nearly 17,000 full-time jobs in the forest products industry. Moreover, this industry is facing the further loss of tens of thousands of jobs resulting from efforts to establish protection for the northern spotted owl. These efforts include the withdraw of nearly 10 million *additional* acres of public forest lands from commercial production—10 million acres *beyond* those which have already been set aside for wilderness, scenic areas, recreation, research natural areas, wild and scenic river areas, and other wildlife protection allocations.

What compounds this problem even further is the fact that our fishing, agricultural, power production and river commerce industries are further placed in jeopardy by the potential listing of several salmon species as threatened or endangered.

It is unlikely Congress will formally reauthorize the Endangered Species Act this year. When it does come up for consideration, I intend to emphasize the critical need for additional congressional guidance on the application of this Act to the economic viability of an entire region.

However, in the meantime, there are literally thousands of dislocated workers whose training and educational needs are being unmet. We tell them that we will make educational and training programs available, however, we fail to provide the financial backing to allow them to enter, or for that matter, to complete these programs. The average timber worker makes $26,400 a year. They are extremely hard working individuals with skills that are not readily transferable. How can we expect them to pay their mortgage, car payments, or even put food on the table when they are enrolled in a training program without any means of support?

I don't believe we can expect them to subsist on minimum wage jobs. We, therefore, must provide these men and women the support they need to become retrained so that they can find work that will, once again, allow them to make a family supporting wage.

I would like to take this opportunity to make it abundantly clear that S. 2491 does not change the Endangered Species Act in any way, nor is it intended to be a cure-all for our dislocated workers. At the very least, Mr. Chairman, it is my hope that this bill will provide a helping hand to those individuals caught between the Endangered Species Act and the specter of immediate unemployment and cultural dislocation. It's time to recognize that when we act to protect endangered and threatened species, we often have a negative impact on the human species—our workers, our communities, and our families.

I would like to add one more point, I am currently in the process of redrafting S. 2491 with the help of officials from my home state and others, in an attempt to refine some of its provisions. I look forward to the expertise represented by my colleagues on this subcommittee in this regard.

Mr. Chairman, several witnesses have come out from the State of Oregon to testify before you today. I would like to thank them for taking time out of their busy schedules to speak to the committee. I would like to take this opportunity to personally thank Ms. Camille Preus-Braly, Mr. Bruce Deal, Mr. Norm Gershon and Mr. Irv Fletcher. Furthermore, I would also like to thank Mr. Denny Scott of the United Brotherhood of Carpenters and Calvin Johnson from the AFL-CIO for appearing at today's hearing.

I would also like to thank Department of Labor Secretary, Lynn Martin, for talking with me personally about the potential impact on workers due to the decisions to protect the spotted owl in the Pacific Northwest. Secretary Martin has agreed to look for ways to help Oregon address the needs of many of the workers whose jobs have already been affected. Furthermore, 2 weeks ago, I convened a meeting between the Department of Labor and State officials to begin to work out a strategy to assist affected timber workers over the next several years. I am encouraged that the Administration is addressing this dramatic problem in Oregon, Washington and northern California.

Mr. Chairman, once again, I would like to thank you and the members of this committee for holding this hearing. It is my hope that the full Senate will be able to address this important issue in the very near future.

I would now like to introduce Mr. Bruce Deal who is a dislocated timber worker from the State of Oregon.

Senator SIMON. I thank you, Senator Hatfield.

We are pleased to be joined by Senator Brock Adams.

OPENING STATEMENT OF SENATOR ADAMS

Senator ADAMS. Thank you, Mr. Chairman.

I apologize, Senator Hatfield, for not being here at the start of the hearing. I stopped by the rescission conference that is going on, which I know you have to attend also, and I want to put your mind at ease—we recessed for 10 minutes so people could arrive, and they have not completed any more sections. I know that you have to go there, and I will have to return.

But before you leave, I want to say, Mr. Chairman, that Senator Hatfield and I have been involved in this matter, both with the Endangered Species Act and the National Forest Management Act, for many, many years. In fact, when I first arrived in the U.S. Senate, he and I passed the last of the old-time bills that used to be used to handle these problems—badly, I might add, in that we simply appropriated money in the Appropriations Committee for the agencies for a certain amount of timber that was going to be cut.

What I want to be sure of this morning, though, is that we not be directed off toward a "red herring." Yesterday we spent over 4 hours in hearings, and the rest of the panel spent another 6 as I understand it, Senator Hatfield, on this matter of the Endangered Species Act and the spotted owl.

We have to make an effort to bridge the gap where our forest workers are being left out of these other programs, and that is what we are involved with here. I welcome Senator Hatfield's legislation because it is similar in purpose to Title I of the legislation that I introduced last year, which is comprehensive.

But Mr. Chairman, I want to make it very clear particularly to my friends in labor that we must not blame this little feathered bird for what our problems really are out there. It has an impact, but its impact is small, and I want to give an example.

Federal timber harvests during the period from 1980 to 1985 were growing at a rate of 3.6 billion to 5.5 billion board-feet annually. During that time, employment in the timber industry fell by more than 26,000 jobs in the Northwest due to automation. They were sacrificed for cheaper labor in the South. And as I said yesterday, from 1978 to 1990, the country's seven largest timber companies reduced their mill capacity in the Northwest by one-third and raised it in the Southern States by 121 percent. The job gain from processing lumber domestically versus exporting raw logs to Japan is 5.56 jobs per each individual operation. From 1969 to 1989, all log exports from the Northwest were the equivalent to shifting 7.5 million homes overseas, or about 75 billion board-feet. My calculations show that figure to equal over 417,000 American jobs.

There are reasons for this. This was not all done just purely from greed or evil, although there is a lot of that involved in it. You will remember we had the "blowdown," and we had the Mount St. Helen's timber which had to be removed from the mountain within 3 years. So a number of us were supporting the idea of exporting the logs and having the work available at that time. But what I want to emphasize in my opening statement, and so the other witnesses are prepared for the problem we're wrestling with, is that our timber people have been hurting for a long time, and under the

present projections, which I have received from the timber companies, they say 33,000 more jobs are going to be lost due to automation—not endangered species, not owls, not any of these plants, but due to the increased automation.

Now, that puts our people under intense stress, and I agree with you that we've got to try to keep these small communities alive. But I don't want the owl to become the symbol of a much deeper, bigger and tougher problem that we've been wrestling with for a long time.

Some people have suggested—this is what happens when you blame the wrong thing—and these people shall go nameless, and I'll leave them anonymous, who are suggesting that we trap the owls north of I-90, put them into little cages, haul them south of I-90 and put them into the timber down there, and then we wouldn't have any owls up there, and we can go ahead and cut.

Well, that misses the whole point. It misses the whole point of timber management. What we want to do is manage that ecosystem up there for the salmon and so on. The owl is just a marker species. We want everybody to be able to participate.

I want to compliment you, Senator Hatfield, and you, Senator Simon. We all worked on a little program, and I want to see this program expanded because I want to see things that work. Forks is one of the key areas in this whole project. It is a small logging town, and the high school used to offer vocational education classes on logging. The high school discontinued that class that year. What was the result? The largest percentage of its graduates last year went on to college. They discounted the course because they knew they were facing the fact that they didn't have supply for their people whom they were training in these classes. So even more will go to college this year.

These people understand transition. They are responsible, they are intelligent, and we have had experience with them in the past.

I'd like to just state while Senator Hatfield is here, because he is an old and dear friend, that to me this is a problem like we faced at Hanford where we are trying to convert people and tell them they can't keep doing what they've been doing—let's do new things. I might report to you that we now have 16,000 people employed at Hanford as opposed to 14,000 making bombs. It is becoming the waste treatment center of the entire world. So we've just got to get through the transition here.

I just want to mention one program, and then I'll conclude. You referred to Secretary of Labor, Lynn Martin, and I want to pay my compliments to her, too. All of us went down to the Women's Bureau, you will remember, Senator Simon, and asked for $10,000 for a "New Beginnings" program. I have known Representative Martin, now Secretary Martin, for a long time, and she said, "This isn't much money." And I told her that what we want to do is we want to train the women. And they were sent into Peninsula College—they all signed up—80 applied for 24 spots. It worked. They came out of there so successfully that I'm told that at least one logger has decided to join his wife in the licensed practical nurse program at Peninsula College at Port Angeles. I think that's what you referred to.

So Mr. Chairman, I am hopeful that we'll get at least $100,000 to expand this program for wives as well as husbands to start this transition. We need more programs like this because regardless of whether we put timberland off-bounds for the owl or increase productivity in the industry, we're going to lose about 33,000 jobs in the next 2 decades. And I say this to my friends in labor—and they are my friends in labor; they have helped me all my life, and I have lived in the woods and worked in the woods—we have all been part of this as we have grown up over the last 50 years. But let's not take the political expediency of just pointing at the owl and saying that that is the problem. I mentioned how the jobs have been sent overseas with exports; how the jobs are shifting to the South—they don't call the Georgia Pacific Company the Georgia Pacific Company just for fun; it shifts from Atlanta to the Northwest, and now it's back in Atlanta again, in about a 50-year cycle.

There are many things in the timber industry which you know well, Senator Hatfield, and I do, and I think our job here is to try to convince our colleagues that our people need help in this transition that is going on during a period of tremendous change.

I will close by just saying this. The *Seattle PI* reported on January 15, 1992—and you are correct, Senator Hatfield, that you have much more logging in your State than we do in ours—we are blessed by the fortunes of I guess the good God that Boeing located in Seattle. There was no particular reason, but it did. And I have lived in Portland, and if Portland had a Boeing, it would be an entirely different type of situation with regard to the timber industry. But the *PI* reported that Weyerhauser was closing a 285-employee pulp mill in Everett, citing a cost of $35–$40 million to install air and water pollution control equipment, and they weren't going to install it so they just closed the mill. This doesn't involve owls. In fact, this doesn't even involve timber supply. It just involves changing the way we do business.

This is happening with Weyerhauser in the Longview, WA mill, and we are very concerned about it.

So before the spotted owl became the scapegoat, we have been in transition for a number of years. And I just hope that my legislation, which is S. 1536, will join with yours, Senator Hatfield, and with what you may develop, Senator Simon, because you know the Northwest as well, into a comprehensive approach.

I ask unanimous consent, Mr. Chairman, that an editorial from the *Seattle Times* be included, the title of which says in effect that gutting the Endangered Species Act will not save the loggers' jobs.

Senator SIMON. It will be entered in the record.

[*Seattle Times* article follows:]

[From the Seattle Times]

GUTTING THE ACT WILL NOT PUT LOGGERS INTO JOBS

When politicians like Rep. Rod Chandler have no answers for distressed timber towns, they blame the spotted owl and the Endangered Species Act.

Chandler has stepped to the front of the anti-regulation, property-rights movement by proposing to gut the act, or in his words "put people on equal footing with plants and animals."

Not only is blaming the Endangered Species Act shortsighted, it completely ignores the real reasons why forest communities are dying. And by ignoring the causes, those communities are doomed to permanent decline.

The problem is not overzealous protection of a bird. The problem is over exploitation of natural resources so that people, animals and plants dependent on those resources are no longer sustainable. Boom-and-bust cycles in the forest industry, overseas competition and automation reduced timber jobs in Oregon, for example, by 17 percent between 1979 and 1989—long before the spotted owl became a household word.

Like the owl, mill towns are facing the consequences of the destruction of once-plentiful, old-growth forests. Even if the owl were allowed to become extinct, the forests that once kept mill towns employed soon will be gone.

The only solution is intelligent management of resources before resource-based economies and species reach the brink of catastrophe. Only be protecting ecosystems early in the game can communities avoid clashing with the Endangered Species Act, the law of last resort.

Some 639 threatened or endangered plant and animal species have been granted federal protection. Since 1979, the U.S. Fish and Wildlife Service has evaluated 121,000 projects for impact on endangered species. Only a tiny percentage—668 projects—have required some modification. This fact, of course, has been completely ignored by critics bent on destroying the law.

The spotted owl case admittedly is different from other endangered species cases. It involves an entire ecosystem, not just one creature. But its lessons are instructive. Had conservation of woodland species been a consideration in federal timber sales, the owl population would not have been allowed to dwindle to 3,000 pairs on millions of acres.

The same myopic mismanagement is happening with the nation's wetlands. Nearly a third of all endangered species live in wetland habitats. Yet more than half of the 220 million acres of original wetlands have been destroyed, and 300,000 acres are being filled annually.

At some point, a once-common frog or reed will be found to be on the verge of extinction and living on land slotted for shopping mall or housing development. Again, the debate will be frogs versus jobs. Years of litigation may resuscitate the critter, but will not bring back lost habitat or strengthen the local economy.

It need not play out this way. Proper land-use policies would protect a species before its population drops. Creating ecological reserves would ensure a range of habitat so no one site would be locked up by an endangered species. Making biodiversity a goal in federal resource management would dampen the tilt toward short-term profits.

Destroying the Endangered Species Act will not build thriving communities or forestall ecological disaster. On this issue in particular, lawmakers must take the long view.

Senator ADAMS. Thank you, Senator Hatfield, for being so patient, but I wanted you and I to have this conversation one more time since we've had it twice in 2 days. I know you have a wonderful set of people to come forth today to talk about this, and I hope that we get through this.

Senator HATFIELD. Mr. Chairman, I want to thank the Senator from Washington for his comments. I have stated in my formal testimony that this is not a panacea for all the problems of the timber industry, and I agree with the Senator in making that point.

I would also like to say that I agree with the Senator that the owl is not really the main issue. The main issue, Mr. Chairman, that has now taken flight is the environmental fundamentalist who have through the Native Forest Protection Council made it very clear that theirs is not the idea of maintaining supply; it is to lock it up—no use, nonuse. Between what has happened in the courts, we had a time when all the sales were under injunction. So the owl is but a front for that segment of the environmental community that I call the fundamentalist wing who have made it very clear in the Native Forest Protection Act that has been introduced in the House—when you read through that act, all the contingencies put upon any harvesting or any road-building mean nonuse.

And I agree with the Senator that long before this owl came into the picture, we had been getting these shifts into the Southern pine States. And why, Mr. Chairman? In part, yes, wages; but also no regulations. Those 13 Southern pine States are mostly small wood lots, private industrial wood lots, unregulated. Or the impact upon Canada as a harvest transfer, and having just put in place now a national forest management program. Up until now, there was none.

So I think if we are really concerned about the environment we have to understand that by locking up the highest production probably in the country or the world, the Northwest, from any production—which is the goal of the fundamentalists—you are transferring that impact on other parts of the world that could be absolutely disastrous—another Brazilian rain forest impact in Canada and our 13 Southern pine States.

The Senator is quite right that we have to see this from a national perspective and I would add from a global perspective as well.

Thank you, Mr. Chairman.

Senator SIMON. Thank you.

Let me just mention for our witnesses that we will enter your full statements in the record, and we will limit your oral statements to 5 minutes. I have been advised that we have a vote on on the floor at 11:30, so we will have to move along.

Senator Hatfield, you are welcome to join us if you can; otherwise, I know you have other meetings, too.

Senator HATFIELD. Thank you, Mr. Chairman.

Senator SIMON. Mr. Deal, Mr. Gershon, and Ms. Cam Preus-Braly, if you will please come forward.

Mr. Deal, we'll call on you first.

STATEMENTS OF BRUCE DEAL, DISLOCATED TIMBER WORKER, WINSTON, OR; NORM GERSHON, PRESIDENT, UMPQUA TRAINING AND EMPLOYMENT, INC., ROSEBURG, OR; AND CAM PREUS-BRALY, PROGRAM MANAGER, JOB TRAINING PARTNERSHIP ADMINISTRATION, OREGON ECONOMIC DEVELOPMENT PROGRAM

Mr. DEAL. Mr. Chairman, members of the Subcommittee on Employment and Productivity, my name is Bruce Deal, and I am a dislocated timber worker from Douglas County, Winston, OR. I am an endangered species.

First, I want to say that I am glad to be here because I have a lot to tell you about me, what has happened to me and what is happening to a lot of other people in Oregon. And I'm one of the lucky ones.

I worked for Roseburg Forest Products for 23 years; I started there when I was 19, and I'm 43 now. I never had a chance to learn anything else. The pay was good, and it was easy to stay there. There was plenty of work for everyone, and everybody worked there. The plant is torn down now; there is nothing left of it.

I was laid off September 1991, and I'll never forget that day; my heart jumped into my throat, and I was scared to death. We knew it was coming; we had seen it coming a while back.

The timber crisis happened gradually because of the spotted owl, the environmentalists, and all the laws. The log supply started dwindling, and the mill started shutting down for 1 week or 2 at time, or maybe going down to 4 days a week, and my pay checks started getting smaller.

It started gradually, but when it finally happened, none of us were really prepared. I had a steady income and made pretty good money back then. That has all changed drastically since September.

The mill laid off a lot of people just like me, some who had been there a lot longer than I had and who were quite a bit older than I. A layoff like that in a town that size hurts—it hurts bad—and it hurts everyone.

You are used to living on a full pay check, and they start getting smaller, and finally you don't have a full pay check. But the real problem is your bills don't get any smaller. You get behind. Your credit starts to go bad. I lost a house over it, and right now we are renting a place that I have to be moved out of by June 10th, I think, because they are selling it.

We don't have anything left, and because of it, my wife and I are separated right now, caused by the tensions of being unemployed as well as the hard times we have been going through. It has really been rough on my family.

When Umpqua Training and Employment tested me, they looked at the results and told me I could learn anything that I wanted to. I thought about nursing, business management and other careers, but I decided on nursing because after doing some research, I found that I would be making good money, and I could be hired right away because there is a great demand for nurses. I got interested in nursing because of an automobile accident that I had years ago; I was in the hospital for a couple of months, and they took real good care of me.

I have been in the nursing program at Umpqua Community College for 2 terms now; I'm in the middle of my second term. I consider things in my life a lot better now than they ever have been. When I get through going to college, I am going to have a worthwhile job that is worth doing; a job that makes you feel like you are getting something done, instead of a dead end job.

A lot of people who worked down there with me don't have the opportunity that I have because some of them didn't even finish junior high much less high school. It takes so long to receive your education, and most guys who are 50 and 55 years old feel that it's just too late for them to start over again. They have to pay their bills, and they go out and look for work—but who is going to hire a 55 year-old man with just a high school diploma and no further education? I wonder what is going to happen to them. A lot of them are my friends, and they have families and children, too.

When the mill shut down, I heard that Umpqua Training and Employment would help us out, but I didn't believe it. I was kind of cynical, but I checked it out. They meant what they said. They are paying my way through college right now, buying my books, and in emergencies they usually find a way to help you out if you really need it.

The bad part about this is that if the money runs out, I'll have to quit school and look for a job. Without their support, I can't afford to go to school. And if I can't go to school, I'll never receive the training I need to do something that will support my family.

It will take me 2 years to get my degree. The way it stands right now, my unemployment will run out before I finish school. If that runs out, and if the job retraining money runs out, well, I'll be up salt creek. I'll still have time to go for my schooling, but I'll have no way to pay for it.

If there were jobs out there, I could get a job to support myself and maybe go to school at the same time. But being in the timber industry, there are no timber jobs available.

I am staying with friends right now because of the separation. My wife and kids are being forced to move out pretty quick. And any place you rent, you've got to come up with first and last months' rent plus cleaning deposit and that kind of thing, and there is no way I can do that in my situation.

I read about the continuous support through training in the bill that Senator Hatfield introduced, and I like it. And I've got to have it, or I'll never get anywhere. I couldn't have gotten this far without the help I have already received. I've got an option now where I didn't have any before. Your job training retraining money at Umpqua Training and Employment did that for me, JTPA did that for me, and I hope you can help me finish my nursing program so I can start working and maybe get my family back.

I'm just one of thousands of guys out there with the same story. We all really need your help. Don't forget about us, please.

Thank you.

[The prepared statement of Mr. Deal follows:]

PREPARED STATEMENT OF BRUCE DEAL

Mr. Chairman, members of the Subcommittee on Employment and Productivity, my name is Bruce Deal and I am a dislocated timber worker from Douglas County, Winston, Oregon. I'm an endangered species.

First, I want to tell you that I am glad to be here because I have a lot to tell you and I want to tell you what happened to me and what is happening to lots of folks in Oregon. And I am one of the lucky ones.

I worked for Roseburg Forest Products Saw Mill Number 2 for 23 years, starting work there when I was 19, in 1968—I'm 43 now. I never had a chance to learn anything else—the pay was good and it was easy to stay there. I ran a saw—was a resaw operator. Back in those days, anybody could get a job, used to be that if you had a pair of gloves in your hand they would put you to work. It was a good deal, great pay and in my hometown. There was plenty of work for everybody and everybody worked there. The plant is torn down now, there's nothing left of it.

I was laid off in September, after working at the mill for 23 years. I'll never forget that day. My heart was in my throat and I was scared. We knew it was coming, and saw it coming a while back. The timber crisis happened gradually because of the spotted owl, the environmentalists and all the laws. The supply of logs started dwindling and they started to shut the mill down for 1 week or 2, and then would go down to maybe 4 days a week. It started gradually, but still when it finally happened, none of us were really prepared. Back then I had a steady income and made real good money. I had all the credit I wanted, just with my signature—that has all changed drastically since September.

We received a 60-day notice. The mill laid off lots of folks, just like me, a lot older and some had worked at Roseburg Forest Products longer. You take a layoff like that in a town this size and it hurts, it hurts everybody.

Umpqua Training and Employment came out to the mill, they were really on the ball. They talked to us and gave us our tests. I was desperate. I'd never gone to

anyone for help before, never. I had no idea where to start and without them, I couldn't have started at all.

It's like this. You're used to living on a full paycheck, and then they start getting smaller, and finally you don't have a paycheck. But the real problem is that your bills don't get any smaller. You get behind, and your credit starts to go bad. I lost a house over it and right now we're renting a place that we have to move out of by June 10th, because they're selling it. We don't have anything left but what we've got and we figure there's no place for us to go but up. The wife and I are separated right now, that's all caused by the tensions of being unemployed and the hard times we've been going through. It's really been rough on my family.

When Umpqua Training and Employment gave me the test, they looked at my test and told me to pick out anything I wanted to learn to do. I thought about nursing, business management, other careers. Then I visited some of the hospitals in Roseburg. I was told that if I had my nursing degree, I could go to work that afternoon—and I would be making good money—starting at around $12 or $13 dollars an hour. So I decided to become a nurse because I bad been in a very bad automobile accident and was impressed with the nurses. I thought that they had done a great job and it interested me. Before the accident, I had never really considered nursing for a career.

I've been in the nursing program at Umpqua Community College for 2 terms now. Right now, I consider things in my life a lot better than they have ever been. When I get through here, I'm going to have a worthwhile job that's worth doing, that makes you feel like you're getting something done, instead of a dead-end job. A lot of people that worked down at the mill depend on the timber industry, and they don't have the opportunity that I have because some of them didn't even finish junior high, much less high school. Umpqua Training can't help them unless they can get a GED, although they can help you get that. But it takes so long to receive your education most guys that are 50 and 55 years old—they just lack 7 or 8 years to retire. They have to pay their bills so they go out and look for work. But who is going to hire a 55 year old man that doesn't have a diploma and has been working in the woods or at a saw mill all of his life. I wonder what's going to happen to them. They've got bills and families too.

When the mill shut down and I heard that Umpqua Training and Employment would help us out—I didn't believe that either—but I checked it out. It didn't take me a long time before I realized that they really were interested in helping people out. They meant what they said. They're paying my way through college, buying my books and stuff like that and emergencies, they usually find a way to help you out if you really need it.

The bad part about this is that if the money runs out—then I will have to get a job and quit school. Without their support, I can't afford to go to school and if I can't go to school, I'll never receive the training I need, to do something that will support my family.

It will take me 2 years to get my degree. Right now my family is living on my unemployment and job retraining funds are paying for everything else—they aren't really helping with my living expenses, except emergencies. For instance, if the light bill gets behind, they will help me out. The way it is set up now, my unemployment will run out before I finish school and if that runs out and if job retraining money runs out—I'll be up salt creek. I'd still have time to go on my schooling but I would have no way to pay for it without going out and getting a job. If there were jobs out there, it wouldn't be so bad. But I worked in the timber industry and there aren't any timber jobs. Unless I receive training, I can't get a job to support myself, let alone my wife and my two children. They depend on me.

Right now, we have to move out of the house where my wife and children are living. I'm staying with friends because of our separation. But my wife and kids are going to be forced to move out of the house they're in and they are living on the money that I bring in from unemployment. My wife recently got a part time job through Umpqua Training and Employment but it hardly covers any of the bills. And any place you rent, you've got to come up with first, last and a cleaning deposit. I don't know what we're going to do about that, and that's just the kind of situation I'm in. If the job retraining money runs out, I'm done for, as far as ever getting a good job.

Some of the others down there, one guy only finished sixth grade—what's he going to do? I feel for them, I wonder what's happened to them—seen some of them down at the college, but the others, I wonder how they are doing it.

I read about the continuous support through training in the bill that Senator Hatfield introduced and I like it. And I've got to have it, or I'll never get anywhere. I couldn't have gotten this far without the help I have already received.

I've got an option now, where I didn't have any before. Your job retraining money at Umpqua Training and Employment did that for me, JTPA did that for me and I hope you can help me finish my nursing program so I can start working and maybe get my family back. I'm just one of thousands of guys out there with the same story. We all really need your help. All of our families really need your help and our communities need your help. Don't forget about us, please.

Thank you.

Senator SIMON. I thank you. That was an eloquent statement that says very clearly why we have to work things out not just for you, and frankly not just for the timber industry, but for people who for one reason or another have ended up in your situation nationally.

Mr. Gershon.

Mr. GERSHON. Thank you, Mr. Chairman and Senator Adams.

I might just say that you wrote a book a few years ago, *Putting America Back to Work*, I believe it was called——

Senator SIMON. You are kind to remember that.

Mr. GERSHON. It's not only in my office, but I actually read it.

Senator SIMON. Thank you.

Mr. GERSHON. My name is Norm Gershon, and I am the president of Umpqua Training and Employment, Inc., in Douglas County, Roseburg, OR. By the way, Umpqua Training and Employment is part of a consortium called the Oregon Consortium which funds program operators like Umpqua Training and Employment in 27 of Oregon's 36 counties, for the most part the rural counties of Oregon.

I am here today on behalf of dislocated workers in Oregon and in support of S. 2491, the Endangered Species Employment Transition Assistance Act.

I come to you from a county in southwestern Oregon that *Time* magazine called "ground zero" of the battle of an industry, labor unions, environmentalists, the Forest Service, the Bureau of Land Management, and the Fish and Wildlife Service, over a Federal act, the Endangered Species Act, and a cute little owl called the northern spotted owl.

My company, Umpqua Training and Employment, or UT&E as we call it, administered the Job Training Partnership Act programs in Douglas County. UT&E has been in the employment and training business for almost 18 years, but nothing has prepared us for the experience of the last 18 months.

At that time, the area's wood product facilities, plywood mills, sawmills and other manufacturing entities began curtailments, layoffs and shutdowns. The number of individuals involve now number about 1,500.

Perhaps some of you are not impressed with that number, but Douglas County's work force numbers in the thousands, not the hundreds of thousands or millions, and 85 percent of our manufacturing jobs—and read that to mean family wage jobs—is in the wood products industry. We are losing the jobs that have supported our communities and our economy for the past 45 years. And what is more alarming is that the curtailments, layoffs and shutdowns continue. The latest is set to occur just 5 days from today, May 19th, when another 67 sawmill workers will permanently lose their jobs.

In our county, experts estimate that we will lose three out of every five timber industry jobs, much the result of the Endangered Species Act. It's a situation that our community has trouble envisioning, much less responding to.

Senator Hatfield has introduced the Endangered Species Employment Transition Assistance Act. I urge you to give it your most serious consideration. Until now, we have been assisting dislocated workers with Title III of the Job Training Partnership Act, and until now, funding has been adequate.

We have put hundreds of dislocated workers into training in more than 30 different occupational areas. Bruce Deal who sits here beside me is one of them, and you have heard his story.

However, my concern and the reason I am in Washington today is this. Title III of the Job Training Partnership Act is for all dislocated workers, whether a victim of defense cuts, the automobile industry or an endangered species listing. And while the Federal Government has been generous to date, its attention will turn to the 74,000 victims of the GM layoffs in cities throughout the country and the victims of the defense cuts that every presidential and congressional candidate is pledging.

And the Pacific Northwest and other areas of the country affected by an endangered species listing—and that includes every State in the Nation, as your map shows—will be without the resources to retrain the thousands of individuals who will follow Mr. Deal.

We in the Northwest are at your mercy. It is your purview to decide how the Federal forests will be managed; we live with those decisions. We simply ask for the resource to help us help ourselves.

I want to tell you what it's like daily in our office when we open, with the cars coming in and every day more workers coming in for help. Frankly, as a staff—and I don't mean to come to Washington to complain—but as a staff of just one of the entities administering the Job Training Partnership Act, we are weary. This has been going on for 18 months, and it is wave after wave of people needing our help—and that's fine, and that is what we are there to do.

The tragedy would be if someone like Mr. Deal came to us, and we did not have the resources to help them. That is the thing we fear the most. That is why we support the kind of concept that Senator Hatfield has put forth, and we hope you will seriously consider it.

Thank you for inviting me.

Senator SIMON. Thank you. And let me add that while I hope we can pass a Hatfield-type bill and one that the administration will sign, we also have to see to it that all people like Bruce Deal have a chance to continue their education.

If you take the old GI Bill after World War II and add the inflation factor to it, today it would mean a total of $8,100 a year in grants. We don't have anything close to that today.

Senator SIMON. Ms. Cam Preus-Braly.

Ms. PREUS-BRALY. Good morning, Mr. Chairman and members of the Subcommittee on Employment and Productivity.

My name is Cam Preus-Braly, and I am the manager of the Job Training Partnership Act Administration for the great State of Oregon. I am here to give my support to Senate Bill 2491, the Endangered Species Employment Transition Assistance Act of 1992

and to give you a glimpse of the impact of timber industry-related dislocations in Oregon.

Oregon is a State of innovation, change and challenge. During the last few years, State and Federal initiatives have brought about major changes. There is the WARN act, the EDWAAA act, and the amendments that you just passed. And our system has responded with efficient and effective programming.

In 1991, the Oregon legislature enacted a 21-member work force quality council with representatives of business, labor, State and local government, community-based organizations, the legislature, and the public. The council's charge is to create a seamless delivery system that connects clients, resources and providers of education, training and job placement. With this focus, the JTPA system is well-positioned to lead our State in a response to the work force challenges of the next decade.

Oregon has incredible work force challenges now. Specifically, we are faced with the devastating dislocation of thousands of men and women as a direct or indirect result of Federal actions regarding critical habitats affecting our rural timber and water resources. The dislocations have an immediate and disastrous impact on local employment and tax revenues.

I come to you today to tell you about the desperately needed assistance for the growing number of dislocated workers in our programs in Oregon, and for the hundreds of thousands of dislocated workers throughout this Nation who, without our programs, have lost but one more avenue to becoming productive working citizens again.

Let me give you some figures to show you the kind of need that exists in our State alone and the critical role we are playing in the lives of those most in need.

Thirty-six counties in Oregon have a land mass of 97,000 miles. We gave a general population of about three million. Of that population, 250,000 are economically disadvantaged and in the labor force. This year, over 171,000 people will receive unemployment benefits. Of that figure, almost 63,000 are long-term unemployed individuals, meaning they have been out of work for at least 15 weeks.

The loss of over 17,000 specifically timber-related jobs in Oregon has heightened the anxiety. They need your attention and support, and they need it now.

Last year, Oregon's JTPA programs served 3,876 dislocated workers, and next year will be able to serve about 18,000. We have been very fortunate to have access to discretionary funds which have enabled us to serve about twice the number that our formula funding would allow.

Over 77 percent of those we serve will go back to work. Before the layoffs, these men and women are making an average of $9.48 an hour. When they return to work, they are making an average of $9.50, two cents difference.

Our programs are already inundated and overflowing with dislocated, frustrated men and women who are eager to learn and eager to quickly return to work. Our programs and partnerships with the employment division and the community colleges are already in place and working throughout Oregon. In cities like Portland and

in rural communities like Roseburg, we are assisting literally thousands of dislocated workers.

We have the experience with the dislocated worker to make the provisions of this initiative a reality—getting people retrained and educated and back to work. And it can't be done too quickly. I takes some time, and in the meantime these people have to support their families. They have families and homes at risk. Some have young children; some have children in college who cannot continue; they can't pay their medical bills; simple utility bills are a financial strain. And as Bruce has indicated, he lost his house.

They are in a peculiar situation. They have always paid their bills, and now they cannot. Communities are literally shutting down. Businesses are moving. Homes are lost. Taxes aren't paid. There is a bumper sticker seen on the streets that reads, "My family is an endangered species." And they are right.

Ladies and gentlemen, I come to you today by your invitation to tell you about our problems which, I might add, are not State-specific; they are happening across our Nation. I come to you today to show my support of Senator Hatfield's bill, S. 2491. This bill does not attempt to alter the Endangered Species Act of 1973, but provides the necessary relief for those who are harmed by its impact.

This bill would provide job search assistance, needs-related payments, and extended monetary assistance for dislocated workers who have exhausted their unemployment insurance benefits but are enrolled in a qualified training program. The bill would fill the gap between the 26 weeks of unemployment benefits currently available and the 1 to 2 years it takes to retrain for a job.

I urge you to consider the absolute necessity of this bill, which would target increased funding for the long-term dislocated workers for employment, training and education throughout Oregon and the Nation. With your support we can extend our programs that are already working and successful.

S. 2491 and our programs deserve your validation, as do our clients, their families, and their communities. For the sake of our economically and educationally disadvantaged citizens, and for those workers who stand to lose their families, their homes and their communities, please give us the resources to get on with the business at hand—getting people back to work.

Thank you.

Senator SIMON. Thank you.

Because we're going to have a vote at 11:30, and Mr. Gorbachev is going to be speaking to us right after that, if it is all right with Senator Adams, let's hear the next three witnesses, and then whatever time we have left we can question all six witnesses.

Senator ADAMS. Fine.

Senator SIMON. We'll hear now from Mr. Irv Fletcher, president of the Oregon AFL-CIO; Mr. Denny Scott, assistant director of the industrial department, United Brotherhood of Carpenters and Joiners of America, and Calvin Johnson, legislative representative of the AFL-CIO.

Unless you have some preference to the contrary, we will just take you in the order of seating. Mr. Johnson, you get first crack. And again, we will enter your full statements in the record, and I will confine you to 5 minutes.

STATEMENTS OF CALVIN JOHNSON, LEGISLATIVE REPRESENTATIVE, AFL-CIO; IRV FLETCHER, PRESIDENT, OREGON, AFL-CIO, AND DENNY SCOTT, ASSISTANT DIRECTOR, INDUSTRIAL DEPARTMENT, UNITED BROTHERHOOD OF CARPENTERS AND JOINERS OF AMERICA

Mr. JOHNSON. Thank you, Senator, Mr. Chairman.

I am Calvin Johnson, legislative representative of the AFL-CIO, and I appreciate this opportunity to express the support of the AFL-CIO for S. 2491, the Endangered Species Employment Transition Assistance Act.

This important legislation creates a vitally needed employment transition assistance program for workers who lose their jobs as a result of enforcement of the Endangered Species Act.

This new worker assistance program is similar to the worker adjustment assistance program already created by Congress in the Clean Air Act. The basic principle involved is that workers who lose their jobs as a result of a specific desirable national policy should get special adjustment assistance, including income support, while in training for other work.

In addition to benefits currently available to dislocated workers under JTPA Title III, S. 2491 will provide new benefits for job search allowances, needs-related payments, and extended monetary assistance. This income support and extended monetary assistance will be available to dislocated workers who have exhausted their unemployment compensation benefits or who were not eligible for such benefits, provided they are participating in a qualified training or education program.

We are pleased to note that a worker shall not be disqualified for training and education services for failure to enroll in such a program if there are no such programs available on a timely basis, or if it is not the fault of the worker.

Unfortunately, recently issued Labor Department regulations for the Clean Air Act do not, as the legislation required, contain such protection for workers who are disqualified through no fault of their own. Therefore, we recommend that Congress inform the Labor Department that it is in violation of the law as spelled out in the Clean Air Act and make clear in this legislation that such a practice should not be performed.

Let me urge you to consider the needs of the so-called "secondary workers" in the issue of eligibility. Those are workers who do not lose their jobs directly as a result of enforcement of the Endangered Species Act, but do indeed lose their jobs indirectly as the result of the closing of a mill or a plant in a community where many laid-off workers live. Such workers should be allowed to participate in programs funded under this act when those programs are part of an overall community response to a shutdown.

We also recommend that Congress take this opportunity to clarify Title III eligibility requirements that have restricted some workers from enrolling in training and readjustment programs due to the failure of their employers to provide specific individual notice of termination as soon as they know that the plant will close or downsize.

DOL interpretation of Title III requires that workers can only receive individualized training and readjustment services when they have a layoff notice in hand. As we all know, employers often misrepresent a permanent layoff as temporary, or often do not feel they are in a position to give individual notice earlier than 60 days prior to layoff, as in the case of a base closing or a defense-related shutdown. We need to give program deliverers the flexibility to respond early, to determine individual needs, and enroll workers in training as appropriate.

On the issue of authorized grant recipients, I urge you to include (1) a requirement that all grant applications for funding show documentary evidence of consultation with appropriate State and local labor organizations to ensure that the interests of affected workers are fully represented, and (2) special priority for State and local labor organizations as grant recipients after adding those labor organizations to those identified as eligible grant applicants. Many State AFL–CIO central bodies have successfully operated dislocated worker programs for the past decade and are in an excellent position to offer services to workers displaced by enforcement of the Endangered Species Act.

Subsection (b) on dealing with needs-based payments, which requires enrollment in training by the 13th week of unemployment compensation or the 8th week after notice of long-term layoff, should be struck from the bill. This requirement sounds reasonable in theory, but in practice it traps many workers in arbitrary scheduling problems. We think the simplest and best solution is to delete subsection (b).

Additionally, tying needs-based payments to strict income eligibility requirements may force many workers to delay enrollment in training while they wait for their income to fall below the lower living level's standard. A worker's past income should not be used to determine his current need for monetary support while enrolled in training. Rather, workers collecting UI should be provided with immediate counseling and referral to training if needed. Workers who do not qualify or have exhausted UI should be provided with immediate income support when they enroll in training.

I urge you to include a process on the issue of the amount of needs-based payments, for waiving maximum benefit requirements and allowing exceptions for situations of special need, as determined by appeal to the Secretary of Labor. We find, unfortunately, that some State unemployment compensation benefits, as well as the official poverty line, are simply too low for even the most austere decent family living standards.

On administrative expenses, we support the 5 percent rule. We ask you to include a requirement that the Secretary of Labor give special priority and technical assistance to help nongovernmental, nonprofit organizations prepare grant applications.

In conclusion, Mr. Chairman, I want to repeat the AFL–CIO's strong support and endorsement of S. 2491. We all know that there will be workers around the entire U.S. who suffer job loss as a result of enforcement of the Endangered Species Act. This program set forth in S. 2491 with our recommended changes will help these workers complete education and training programs with needs-based payments and job search allowances.

Thank you.

[The prepared statement of Mr. Johnson follows:]

PREPARED STATEMENT OF CALVIN JOHNSON

Mr. Chairman, I am Calvin Johnson, legislative representative of the AFL-CIO, and I appreciate this opportunity to express the support of the AFL-CIO for S. 2491, the Endangered Species Employment Transition Assistance bill. This important legislation creates a vitally needed employment transition assistance program for workers who lose their jobs as a result of enforcement of the Endangered Species Act.

At the 1991 convention of the AFL-CIO a policy resolution, " Support for the Endangered Species Act" was adopted, which states that the integrity and purpose of the Endangered Species Act can be maintained and strengthened while at the same time making provisions to take into greater account the human, social and economic consequences of protecting threatened species.

We believe S. 2491 is an important and welcome step forward in helping workers who will be displaced as a result of the Endangered Species Act.

This new worker assistance program is similar to the worker adjustment assistance program already created by Congress in the Clean Air Act. The basic principle involved is that workers who lose their jobs as a result of a specific desirable national policy should get special adjustment assistance, including income support while in training for other work.

In addition to benefits currently available to dislocated workers under JTPA Title III, S. 2491 will provide new benefits for job search allowances, needs-related payments, and extended monetary assistance. This income support and extended monetary assistance will be available to dislocated workers who have exhausted their unemployment compensation benefits or who were not eligible for such benefits, provided they are participating in a qualified training or education program.

Protections Against Disqualification

We are pleased to note that a worker shall not be disqualified for training and education services for failure to enroll in such a program if there are no such programs available on a timely basis, or if it is not the fault of the worker. Unfortunately, recently issued Labor Department regulations for the Clean Air Act do not (as the legislation required) contain such protection for workers who are disqualified through no fault of their own. Therefore, we recommend that Congress inform the Labor Department that it is in violation of the law as spelled out in the Clean Air Act.

Eligibility

Let me urge you to consider the needs of so-called "secondary workers" in the issue of eligibility. Those are workers who do not lose their jobs directly as a result of enforcement of the Endangered Species Act, but do indeed lose their jobs indirectly as the result of the closing of a mill or a plant in a community where many laid-off workers live. Such workers should be allowed to participate in programs funded under this Act when those programs are part of an overall community response to a shutdown. We also recommend that Congress take this opportunity to clarify Title III eligibility requirements that have restricted some workers from enrolling in training and readjustment programs due to the failure of their employers to provide specific individual notice of termination as soon as they know that the plant will close or downsize. U.S. DOL interpretation of Title III of JTPA requires that workers can only receive individualized training and readjustment services when they have a layoff notice in hand. As we all know employers often misrepresent a permanent layoff as temporary or often do not feel they are in a position to give individual notice earlier than 60 days prior to layoff, as in the case of a base closing or defense-related shutdown. We need to give program deliverers the flexibility to respond early, to determine individual needs and enroll workers in training as appropriate.

Grant Recipients

On the issue of authorized grant recipients, I urge you to include: (1) a requirement that all grant applications for funding show documentary evidence of consultation with appropriate state and local labor organizations to assure that the interests of affected workers are fully represented, and (2) special priority for state and local labor organizations as grant recipients, after adding those labor organizations to those identified as eligible grant applicants. Many state AFL-CIO central bodies

have successfully operated dislocated worker programs of the past decade and are in an excellent position to offer services to workers displaced by enforcement of the Endangered Species Act.

Needs-Based Payments

Subsection (B), on dealing with needs-based payments which requires enrollment in training by the 13th week of unemployment compensation or the 8th week after a notice of long-term layoff, should be struck from the bill. This requirement sounds reasonable in theory, but in practice it traps many workers in arbitrary schedule problems. We think the simplest and best solution is to delete subsection (B) on page 5. Additionally, tying needs-based payments to strict income eligibility requirements may force many workers to delay enrollment in training while they wait for their income to fall below the lower living level's standard. A worker's past income should not be used to determine their current need for monetary support while enrolled in training. Rather workers collecting UI should be provided with immediate counseling and referral to training if needed. Workers who do not qualify or have exhausted US should be provided with immediate income support when they enroll in training.

I urge you to include a process, on the issue of the amount of needs-based payments, for waiving maximum benefit requirements and allowing exceptions for situations of special need, as determined by appeal to the Secretary of Labor. We find, unfortunately, that some state unemployment compensation benefits, as well as the official poverty line, are simply too low for even the most austere decent family living standards.

Administrative Expenses

On administrative expenses, we support the 5 percent rule. We ask you to include a requirement that the Secretary of Labor give special priority in technical assistance to help non-governmental, non-profit organizations prepare grant applications.

In conclusion, Mr. Chairman, I want to repeat the AFL-CIO's strong support and endorsement of S. 2491, the Endangered Species Employment Transition Assistance bill. We all know that there will be workers around the entire U.S. who suffer job loss as a result of enforcement of the Endangered Species Act. The program, set forth in S. 2491 with our recommended changes, will help these workers complete education and training programs with needs-based payments and job search allowances.

Thank you.

Senator SIMON. We thank you for your practical suggestions.

Mr. Fletcher, welcome.

Mr. FLETCHER. Thank you, Mr. Chairman.

I am Irv Fletcher, president of the Oregon AFL-CIO. I would ask that my statement be submitted for the record.

Senator SIMON. The full statements will all be printed in the record.

Mr. FLETCHER. I will make a very short statement in the interest of time. I have to catch a plane, and you have to go vote.

I am appearing here today not just on behalf of Oregon's wood products workers, but tens of thousands of others whose jobs are in part or in whole dependent on the wood products economy.

I think we should say, "Ask not for whom the bell tolls. When it tolls in Roseburg, Medford or Grant's Pass, it tolls not just for wood products workers; it tolls for thousands of others—public employees, carpenters, hospital workers, service personnel—it indeed tolls for thee."

With that, I think I'll turn it over to brother Scott.

[The prepared statement of Mr. Fletcher follows:]

PREPARED STATEMENT OF IRVIN FLETCHER

Good morning. My name is Irvin Fletcher and I am president of the Oregon AFL-CIO. I appreciate this opportunity to testify today on behalf of my membership in the great state of Oregon and to speak for the thousands of timber workers and

their families in the Pacific Northwest whose lives are intertwined with the forests in our regions.

Mr. Chairman, I am here today to express the support of the AFL-CIO for The Endangered Species Employment Transition Assistance Act (S. 2491). This bill has been introduced by Senator Mark Hatfield (R-OR) as an amendment to the Job Training Partnership Act. In our view, this amendment will strengthen the Job Training Partnership Act.

S. 2491 is desperately needed in the Pacific Northwest, particularly in Oregon where we have lost more than 17,000 full-time timber jobs in the last 2 years due to the much publicized designation of spotted owl habitat. The loss of millions of acres of National Forest land to the spotted owl has wreaked socioeconomic havoc on our members causing: massive job displacement; mill closings; homelessness; and hopelessness.

Oregon's economy depends heavily on its renewable natural resource—timber. Timber receipts are used by the State and local governments to fund public schools and roads. In 1908, Congress directed that 20 percent of the receipts from National Forest timber sales be paid to counties for support of local schools and roads. Congress also provided that counties in western Oregon in which the Bureau of Land Management administered lands (O&C lands) are located would receive 50 percent (net) of the receipts for the general county services.

Oregon state officials list 158 of our communities as "timber-dependent." Workers in the forest products industry are among the most productive workers in the country and they respect the forests they live in and harvest. They have a deep commitment to family, community and country.

Too often, forest products workers and thousands of other workers in related industries, are permanently displaced as a result of compliance efforts to the Endangered Species Act. The same Congress which passed ESA has a responsibility to make sure these workers—who have lost their livelihoods due to ESA—are allowed the opportunity to learn new skills so they can continue to support their families and communities.

Up to 104,000 jobs ultimately could be lost in the Pacific Northwest as a consequence of spotted owl protection. Now is the time to get jobs assistance and retraining programs in the field so that the unemployed timber workers of today and tomorrow can continue to contribute to our economy. Senator Hatfield's amendment will establish the employment transition assistance programs that are so desperately needed by our members in Oregon.

The needs of timber workers must be considered along with the needs of the environment. Workers and their families face hardships ahead that are more dangerous than the saws, cables and other hazardous equipment that make their jobs in the timber industry the most hazardous in the country. Timber is our only renewable natural resource, but all too often, once these jobs are gone, we discover that employment is not always a renewable resource.

Mr. Chairman, on behalf of the Oregon AFL-CIO and the 14 million-member national AFL-CIO, we support The Endangered Species Employment Transition Assistance Act (S. 2491) and ask you and all committee members to work towards its passage. Thank you.

Senator SIMON. We'll give you the brevity award here today, Mr. Fletcher. Thank you.

Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman.

I am Denny Scott. I am with the carpenters' union industrial department. Our union represents about 600,000 members in the U.S. and Canada. Our members work in construction, shipbuilding, millwork, logging, lumber, plywood and other wood manufacturing. About 30,000 of our members are directly impacted by the current controversy surrounding the northern spotted owl.

We represent thousands of displaced workers in the Pacific Northwest, and we are very pleased to come here today and support Senator Hatfield's Job Training Partnership Act amendment that would handle some of the dislocation due to the implementation of the Endangered Species Act.

We support reauthorization and species preservation, with some adjustment and modification in the act. The broad goals of the act are very important and should be maintained, and we embrace that notion.

However, we have learned much from the northern spotted owl controversy, and I think we need some adjustment in the act to take care of that. This provision introduced by Senator Hatfield is a good step in that direction, in recognizing the dislocation that can occur.

There are about 270,000 workers in the Pacific Northwest who depend directly on a wood supply of some sort for employment. Our forests are under extreme pressure right now. We have lost about 10 million acres of public land due to designation of the northern spotted owl and the onset of certain court injunctions. It is hard to envision that kind of broad impact, hard to envision that the framers of the Endangered Species Act had that kind of broad impact in mind and then did not deal with the economic and job loss consequences that could occur when you employ the act on such a broad basis.

In the last 2 years and a couple of months, about 110 mills in the region have closed—permanent shutdowns—impact between 17,000 and 18,000 employees directly. Those jobs aren't all lost due to implementation of the Endangered Species Act. It would be naive to make that case. I think the larger impact with respect to the owl will be felt next year and the year beyond, based on the kinds of recovery plans that we have seen and the kind of projected timber harvest decline that we anticipate from implementation of those provisions.

Job estimates range from a high of 104,000 to a low of around 20,700. The truth may be somewhere in the middle. But I think it is fair to say that the job impact will be tremendous one way or the other.

We must offer assistance and retraining to unemployed timber workers who face unemployment as a result of ESA regulation, and we support Senator Hatfield's bill to do that.

Members of the subcommittee, balance is the key. Human needs, along with plant and animal needs, must be jointly considered. Right now, the scales seem to be tipped in favor of plants and animals. Humans are suffering. Humans are falling off the scale.

We strongly support S. 2491 to give timber workers displaced by ESA a chance. We commend Senator Hatfield, an original author of the Endangered Species Act, for his enlightened, progressive approach in dealing with the human ramifications of the ESA.

Thank you, Mr. Chairman, for the opportunity to make this statement.

[The prepared statement of Mr. Scott follows:]

PREPARED STATEMENT OF DENNY SCOTT

Good morning Mr. Chairman, members of the subcommittee. My name is Denny Scott and I'm staff economist at the United Brotherhood of Carpenters and Joiners of America. As a representative of the United Brotherhood of Carpenters and Joiners of America (UBCJA), I'm speaking to you today on behalf of 600,000 trade union members in the United States and Canada.

Our members are employed in construction, shipbuilding, furniture, millwork, logging, lumber, plywood and other wood manufacturing. More than 30,000 of our

members are located in the Pacific Northwest region of our country. My testimony this morning will focus on these members.

I appreciate the opportunity to come before this subcommittee to testify on the far-reaching impact the Endangered Species Act is having in the Pacific Northwest. Today, I represent thousands of displaced timber workers as I support Senator Mark Hatfield's (R-OR) amendment to the Job Training Partnership Act, The Endangered Species Employment Transition Assistance Act, known as S. 2491.

We support species preservation and we support reauthorization, with some modifications, of the Endangered Species Act. The broad goals of the Act are important and should be maintained. However, the Endangered Species Act needs to be adjusted. Because of the way ESA is currently being applied, thousands of people are losing their jobs and many, their homes.

Forest products workers in the Pacific Northwest derive their livelihoods from the region's public and private forests. The jobs of more than 270,000 workers depend directly on the availability of timber—a renewable natural resource. Timber workers lives and the lives of their families and communities are linked inescapably to the fate of our forests.

Mr. Chairman, the fate of our national forests in the Northwest and elsewhere is extremely uncertain—and consequently the fate of families living in forest communities is uncertain—and this is due to a lack of federal guidance. Forest management and timber sales are subject to wildly divergent interpretation. Administrative and legal appeals have all but halted the timber sale program. This, coupled with the loss of over 10 million acres of public forest land due to the designation of spotted owl habitat has decimated communities and families in the Pacific Northwest.

Our union is painfully aware of what is happening to timber workers in the Pacific Northwest due to: 1) listing of the spotted owl as a threatened species; and 2) designation of Habitat Conservation Areas (HCAs), under ESA regulations. HCA designation is the allocation of land whereby no forest management activity can occur. Timber harvest is not allowed in Habitat Conservation Areas and other activities that surround timber sale preparation are rigidly restricted. The lock-up of National Forest land due to ESA has caused large-scale job displacement and created a devastating domino affect threatening individuals, families and communities throughout the Pacific Northwest.

I'm not talking about a few hundred jobs. Over 17,000 North American timber workers have lost their jobs permanently. Plant closures continue—110 have permanently closed since January 1990. While recession contributed to some of the unemployment it is a certainty that designation of spotted owl habitat and subsequent court injunctions have created an increasing share of the dislocation. The unemployment caused by spotted owl habitat designation is creating homelessness and increasing reliance on food banks by families who were hardworking people leading productive lives.

Timber workers can't simply pack up and move to a new career. Their skills are highly specialized and not easily transferred to other industries. Unemployment benefits have been exhausted, families have no health care benefits and job training funds are depleted.

While there has been much debate and conflict over the jobs impact of protecting the spotted owl, it is clear the human suffering is going to get much worse. Nearly 104,000 jobs ultimately could be lost in the Pacific Northwest as a consequence of spotted owl protection according to an independent study compiled by Professor Wilbur R. Maki and Research Fellow Douglas Olson of the University of Minnesota. The United States Forest Service's job loss estimate is much lower—20,700. However, the Forest Service figure completely ignores the fact that spotted owl protection measures would also extend to other public and private lands, affecting far more workers.

As Senator Hatfield has pointed out, adherence to ESA regulations has and will continue to cause job displacement nationwide. Within our union, construction members also rely on the continuing availability of timber for job security. The USFS preferred protection program for the spotted owl would decrease the amount of available softwood by the equivalent of 280,000 houses—more than one-fourth of the total number of homes built in the United States last year. With almost no timber now coming out of federal forests, rising lumber prices are expected to drive new-house costs up an average of $3,500, according to the National Association of Home Builders (NAHB). This will clearly hamper the already fragile economic recovery.

A shortage of certain types of timber may mean higher prices for wood and paper products. The economic effects of reduced timber supply are wide in scope. We are looking at a rise in housing costs and in other wood products, such as furniture and

BEST COPY AVAILABLE

paper. Timber-related industries such as construction and transportation will also be adversely affected by reduced timber supply. Not only will this mean a deterioration in our standard of living, it will mean the loss of more jobs in a wide range of industries.

We must offer assistance and retraining to unemployed timber workers and to those who face unemployment as a result of ESA regulations. Senator Hatfield's bill to amend Title III of the Job Training Partnership Act establishes employment transition assistance programs that will save the individuals, families and communities that are deteriorating due to broad application of the Endangered Species Act as we have seen in the case of the northern spotted owl. Senator Hatfield's job assistance program is similar to programs Congress included in the Clean Air Act—when Congress anticipated job displacement and set up programs to alleviate adverse socioeconomic consequences.

Mr. Chairman, our union and the national AFL-CIO support The Endangered Species Employment Transition Assistance Act (S. 2491) because it provides: 1) new benefits for job search allowances; 2) needs related payments; and 3) extended monetary assistance for workers in training or educational programs. This legislation will allow displaced timber workers who have run out of money and hope, the opportunity to complete education and training programs they could otherwise not afford. It gives displaced timber workers a shot at a second career.

Mr. Chairman, members of the subcommittee, the key word here is balance. Human needs along with plant and animal needs, must be jointly considered. Right now, the scales are tipped in favor of plants and animals. Humans are suffering. Some are falling off the scale. We strongly support S. 2491 to give timber workers displaced by ESA what they deserve.

We commend Senator Hatfield, an original author of the Endangered Species Act, for his enlightened approach to dealing with the human ramifications of ESA. Species protection is critical to preserving the Earth's ecosystem. We believe that the preservation of human livelihoods is equally important. Mr. Chairman and members of the subcommittee, we implore you to balance the scales. Millions of working men and women and their families ask you to remember them as you consider S. 2491. Thank you.

Senator SIMON. We thank all three of you, and I think Senator Adams and I can each get in about 5 minutes of questions to all six of you.

Mr. Deal, if you could come up and take a seat at the table. You mentioned losing your home. If we had legislation that said that the Federal Government could, while you are unemployed, make your mortgage payments through a secondary mortgage for that amount, so that when you completed paying your primary mortgage, you would have that secondary mortgage that you would still owe, whatever it is, for the payments while you were unemployed, would that have been of help in your situation?

Mr. DEAL. Yes, I think so, as long as I didn't have to pay it right then.

Senator SIMON. That's right. You would pay it at the end of paying your first mortgage, so that the Federal Government ultimately would get its money back, and you could save your home in that situation.

Mr. DEAL. Yes, that would have helped greatly.

Senator SIMON. And I see Mr. Fletcher nodding. You have dealt with this. Let me just ask Mr. Scott and Mr. Johnson also—this is obviously in addition to what we're talking about here—as you sense it, would this be of practical help to unemployed workers?

Mr. FLETCHER. Yes, and I think it is timely you mention that. I came in last night from a 13-day study tour of Germany, Denmark and Sweden, looking at how they handle retraining and unemployment benefits. You don't have to lose your home in those countries to be retrained for another job; unfortunately, we do here. I think we are seeing hundreds of people in Oregon put in the position of

losing homes, families, and the whole works. We need some sort of a maintenance of unemployment benefits while he continues to be retrained for up to at least 2 years, and I would suggest at least a moratorium on the payment on a mortgage, if not a payment of the interest by somebody.

Senator SIMON. Mr. Scott.

Mr. SCOTT. I think that question goes to broader social policy. In this country it seems like we move forward on some economic policy, environmental policy, and then all of a sudden we learn the tremendous human impacts, and we are behind the curve.

In European countries, they do some planning prior to implementation of the kinds of programs we've seen. I think we need to begin looking. In the hearing yesterday about the Endangered Species Act, Jack Ward Thomas talked about the need for extensive planning in order to save species. You have to be inserted early in the process.

I would maintain that the same principle applies to human beings. If we are going to save ecosystems and save species, we have to begin planning in the early stages so we know about the economic dislocation, the harm and the problems created for human beings. And I think we can handle some of these problems such as home mortgage and health care. People lose their health care; they have no health care. It is irresponsible not to think in terms of those broader issues.

Senator SIMON. We have not talked about the health care issue, and every unemployed person faces severe problems there.

Mr. Johnson.

Mr. JOHNSON. Senator, I agree. I think as we look at the problems that we are confronting in the whole defense downsizing and the retraining programs that we're going to have to put in place for people coming out of the defense industry, we are clearly not just looking at individuals who have been disadvantaged and need basic educational skills in order to be trained to go into the work force; we are looking at people who have held jobs and been responsible and been a mainstay in their communities. And to allow them to lose homes and to lose their health insurance—I mean, to say somebody has his COBRA benefits and health insurance doesn't mean a whole lot when it's going to cost him $600 to $700 a month to maintain a health insurance policy, and he's only getting $500 a month in UI benefits. He's going to need to eat before he needs to go to the doctor. Those kinds of things need to be taken into consideration—and we can't try to fit all of these programs into existing programs.

One of the things that we have discovered as the Clean Air Act provisions for dislocated workers have been implemented is that there tends to be a tendency in the department to try to make everything fit into one program. Well, you can't make square pegs fit into round holes.

Senator SIMON. We have too many people who are falling through the cracks; I agree.

If I may finally very briefly ask Ms. Preus-Braly and Mr. Gershon, if we were to enact the Hatfield bill tomorrow, will that cause any severe problems in terms of administering the JTPA programs?

Ms. PREUS-BRALY. I would say not. There are provisions, as Mr. Johnson said, in the Clean Air Act that this bill mirrors, so there are already regulations written around that or at least proposed by the Department of Labor, that I think we could easily begin implementation of the use of the dollars for citizens like Mr. Deal.

Senator SIMON. But it would not cause a problem in Roseburg, OR in terms of your administering it?

Ms. PREUS-BRALY. Absolutely not.

Senator SIMON. Mr. Gershon?

Mr. GERSHON. What it would effect is a great sense of relief. We see what is happening in our area as something that is going to be happening 2 years form now, 3 years from now, 4 years from now, 5 years from now. And as my remarks stated, what we are afraid of is that the money is going to run out a year from now, and then the thousands who follow Bruce Deal are not going to have the advantages that he had.

This act aims specific money at people affected by the Endangered Species Act and gives us a sense of longevity that we're going to be able to help the people who are going to need it even 5 years from now.

Senator SIMON. Thank you.

Senator Adams.

Senator ADAMS. Thank you, Senator Simon.

I have been very much in support of these programs, as has Senator Simon, for dislocated workers, but I want to say that I am disappointed in what has happened with regard to legislation and what is being stated today, and let me express my concerns.

First, I understand, Mr. Fletcher and Mr. Gershon, that you have adequate funds now, but you are concerned about the future.

Second, I'd like to ask Mr. Deal what if anything did the company do for you when they shut down the plant.

Mr. DEAL. They gave me 60 days' notice.

Senator ADAMS. Did they pay you anything?

Mr. DEAL. They paid a certain amount of severance pay, yes.

Senator ADAMS. Senator Simon and myself and others, led by Senator Metzenbaum, got the 60-day notice, which was fought by the administration you will remember—otherwise you wouldn't have been told at all. I just want you to know where we're coming from.

And Mr. Scott, I introduced last year S. 1536, which had these kinds of provisions in it. It had specific programs to help workers in the rural communities. Now, you went to my State AFL-CIO convention last summer and said it was anti-labor and a bad bill. I happen to think you're wrong, and we won't debate the point at this point. But I'd like to have you submit for the record a specific list of those additional worker assistance programs that would improve the worker assistance in S. 1536 which I put in last year on this.

Now, let me address this question to you——

Mr. SCOTT. May I respond, Senator?

Senator ADAMS. Yes, please do.

Mr. SCOTT. We took a close look at that provision. The problem was not with the benefit programs or the entitlements or the train-

ing concepts. The problems were in the application and administration; there were some flaws in the program.

I am looking forward to your revised bill, and I am sure that those complications and problems will be ironed out in the bill that you are currently in the process of drafting; I am hopeful of that.

Senator ADAMS. I hope so. Senator Leahy and I and others are going to introduce that next week, and we hope we have your support because—I want to say this to the AFL-CIO members who are here—we have a tough enough time passing these bills, as Senator Simon knows, and when we tried to cut off timber exports for local mills and assist them, we had a lot of people coming in and telling us that they didn't want to cut off log exports.

My point is this. If you were to do away with the Endangered Species Act, it wouldn't stop any of these court injunctions. And Irv, I want you to take this message back to Young and some of the others. These injunctions are not under the Endangered Species Act; they are under the National Forest Management Act. And they are for the overcutting and greed that was applied in the period from the beginning of the Bush-Reagan Administration in 1980 right straight through. Timber sales and timber cutting increased from a little over 3 billion board-feet to over 5 billion board-feet—and I supported that with Senator Hatfield the first year I was here. During that period of time, we lost 26,000 jobs. In other words, they're moving out on you. They're going south. They're going elsewhere. They're closing mills. They're going into new technology.

So if you frame your bill around endangered species, people are going to come in and say they weren't laid off by the Endangered Species Act. I don't mind commenting on the Endangered Species Act, but that isn't what Judge Dwyer said, and it isn't what Judge Zilley said. We told the Forest Service, Senator Hatfield, myself and a lot of others before we went in, that we had given them the money for a huge cut in 1987—it went up over 8 billion board-feet—and that they had a year to fix it. The judge said the same thing—to get down the cutting level so you had sustained yield. And the owl is just a marker species. It is a marker to show how the forests are being handled.

One year later, they hadn't done a thing, and those injunctions went in. Now, I know the "God Squad" is going to meet, the "Gang of Four," and the professors and others are going to meet on the owl. But if you hang it all on the Endangered Species Act and the owl, the point is missed. And the point is there is technological change, there is shift in cycling, there is change in the market, and jobs are being lost, so we want a jobs program. And I got this clear through conference, and then it got knocked out because the President threatened to veto, to help dislocated workers in the Northwest—but not trying to tie it to a specific thing like the Endangered Species Act.

I want to be sure, because I have never been called anti-labor in my whole life until this time, and that bothers me. Second, I want to know if you support a ban now on timber exports.

Mr. FLETCHER. Mr. Chairman, I have to take this opportunity to point out that the Oregon AFL-CIO passed a resolution 29 years ago calling to attention that they were exporting logs from Coos

Bay. And my organization got a constitutional amendment passed to amend the Constitution of the State of Oregon, to ban the export of logs off State lands.

I submit, Senator, that if the problem exists in the Pacific Northwest, it primarily exists because they are exporting most of those logs from the lands of the State of Washington.

Senator ADAMS. That is correct, and we have moved to stop that. But when we tried to do this—that's my point here—we got opposition from places we didn't expect opposition, and should not have had it. We tried to cut off our State land exports of logs and divert them to the local mills, and that did not happen because we got opposition from both the smaller mill owners, which I never understood, and from members of organized labor. We had the same thing—we tried to cut off exports entirely. And we did cut off all exports from Federal lands in the State of Washington.

So we have been working toward those things, but what I want to be sure that we are doing at this point is this. I have to meet this afternoon with the Convertibility Task Force of Senator Mitchell, of which I am a member, and I'd ask you this question, and it is a hard question—and I don't even expect you to answer; you can nod your head or shake your head—but what is the difference between Federal responsibility to a prospective timber worker who loses his job and a machinist who loses his job in defense reductions?

Mr. FLETCHER. That's right. There isn't any difference.

Senator ADAMS. There isn't any difference.

Mr. FLETCHER. That's right.

Senator ADAMS. And yet that's what we're wrestling with this afternoon. That's where Senator Hatfield went and where I am going now. These are 1,300 rescissions sent up by the President of the United States that would close shipyards, close automobile plants—in other words, we've got a big fight going on here, Mr. Scott, and I want to be your friend. I want to have organized labor understand and be with us where the fight is.

We want more money for JTPA. We want to have logs kept in the country. Weyerhauser, Simpson, and ITT all export logs, and I'd like some help from all of you to get their logs in the domestic mills. I have talked with the leaders of those companies, but what they have done and what we are suffering from now is that certain of the private companies cut and run. Georgia Pacific is already back in Atlanta. Burlington-Northern has cut its quarter, every other section. The load is being thrown back on the Federal Government and the Federal lands.

What is being attempted in this case is that the human species has come first, but as I have told my friends who are in the business and who are working for those businesses, if we were to just say all right, go ahead and cut, continue at 8 billion board-feet like you were, in 5 years you'll all be back, and there will be nothing left. There will be nothing left, and at that point, you'll have no jobs.

So what we're trying to do here is see to it that the National Forest Management Act is enforced and that we get that cut down to a point where we can sustain it and sustain the jobs, and the companies begin to bargain with the unions on automation and

what is occurring, and help them. That's why I asked how much help Mr. Deal had received in transition. He is transitioning, and I compliment the JTPA for it. We're going to try to put more money into it, but as Senator Simon will say, and as I can tell you from the Appropriations Committee, if we don't get either a tax cut or a big defense dividend, we're going down $6.7 billion in discretionary spending, which is where JTPA comes from. That's a 3 percent cut across the board.

So I'm talking to my friends, and I'm talking tough talk, I know, but I hope we understand where we all are with this, and I'll help Mark with this, but don't tie this thing to the Endangered Species Act. That's like tying a locomotive to the tail of a puppy dog. We've got a much bigger problem, and we need your help.

Mr. SCOTT. Mr. Chairman——

Senator SIMON. You'll have to make it brief because we just heard that buzzer go off.

Mr. SCOTT. I'll just say to Senator Adams that we need some time to talk. I think we need to clarify some things that you said about log export and where that is, how it operates, and where we are in terms of timber supply, where we are in terms of reforestation. I think it's going to take a little more time than we have in this hearing room, and I would make the offer to sit down and meet and discuss these items in some detail and would very much appreciate that.

Senator ADAMS. Would you and Mr. Keefe set up a time, and I will be there. I know you have lost people out of your organization; I never expected the carpenters to come out with some of the positions that they did, and it was very startling. So we'll try to sit down and work this out.

Mr. SCOTT. Thank you, Senator.

Senator SIMON. Well, the most immediate thing that has happened as a result of the hearing is that Mr. Scott and Senator Adams will get together. But I hope something beyond that happens.

We thank you all very much for your testimony.

[Additional statements supplied for the record follow:]

STATEMENT FOR THE RECORD ON BEHALF OF THE WESTERN COUNCIL OF INDUSTRIAL WORKERS

SUBMITTED BY MICHAEL DRAPER

My name is Michael Draper and I'm Executive Secretary at the Western Council of Industrial Workers. I'm submitting this statement for the record on behalf of the 30,000 Council members, who are millworkers employed in the states of Washington, Oregon, California, Idaho, Montana and New Mexico. I appreciate the opportunity to submit this statement on the impact the Endangered Species Act is having on thousands of millworkers in the Pacific Northwest and to state our support of Senator Mark Hatfield's (R-OR) amendment to the Job Training Partnership Act, The Endangered Species Employment Transition Act (S. 2491).

It may be difficult for you to imagine the economic devastation that rocks timber-dependent communities in the Pacific Northwest. Unfortunately, I see the pain and suffering every day. Listing of the spotted owl as a threatened species and subsequent designation of spotted owl habitat has caused large-scale job displacement among millworkers. Over 100 mills have closed permanently since January 1990. The unemployment caused by spotted owl designation has left hard-working Americans with highly specialized skills, with little to no job opportunities.

Mill workers and thousands of other workers in related industries have been permanently displaced as a result of compliance efforts to the Endangered Species Act. Congress passed a flawed Endangered Species Act—Congress has a responsibility to make sure that workers who have lost their livelihoods due to ESA are allowed the opportunity to learn new skills.

Senator Hatfield's bill to amend Title III of the Job Training Partner Act establishes employment transition assistance programs that will save the individuals, families and communities that are deteriorating due to broad applications of ESA. We support S. 2491 because it provides: 1) new benefits for job search allowances; 2) needs-related payments; and 3) extended monetary assistance for workers in training or educational programs. This legislation will allow displaced timber workers who have run out of money and hope, the opportunity to complete education and training programs they could otherwise not afford. It gives displaced workers a shot at a second career.

Mr. Chairman, members of the committee, I ask you to put yourselves in the shoes of American millworkers who have nowhere to turn. We ask you to support S. 2491—give these hardworking people the opportunity to continue to work and support their families and communities.

Thank you.

PREPARED STATEMENT OF PAMELA A. MATTSON

Mr. Chair and members of the committee, I am here today to testify in support of S. 2491 to provide employment assistance for workers who have lost their jobs due to the Endangered Species Act.

As you are no doubt aware, timber workers in Oregon face an uncertain future as a result of the decision to list the northern spotted owl as an endangered species. Implementation of new forest management plans and protection strategies for the owl will cause large reductions in timber supply in Oregon over the next 20–30 years. These timber supply reductions may devastate many Oregon communities, especially in rural areas. Over one-third of Oregon's manufacturing jobs are in the timber industry. Outside of the Portland and Salem metropolitan areas, lumber accounts directly or indirectly for almost 60 percent of manufacturing employment, and supports almost one-third of all nonagricultural employment.

In 1988, over 60 percent of Oregon's timber supply came from federal lands. By 1990, this percentage had dropped to 44 percent. Adding in the impact of the proposed owl conservation plan, public timber harvests in Oregon are expected to decline by about 40 percent from the levels of the mid-1980's. From 1989 through 1995, the timber industry in Oregon is expected to lose 25,000 jobs. Of this amount, the owl conservation plan is projected to be responsible for the loss of 14,500 jobs. The remainder of the job loss is due mostly to the introduction of technology into lumber and wood processing which was contributing to a restructuring and downsizing of the timber industry even before the listing of the spotted owl.

As bad as the situation is for Oregon's timber industry, the dislocations occurring from the listing of the spotted oil may pale in comparison to the economic impact on the Pacific Northwest if certain species of salmon are listed as endangered. Salmon runs on the Columbia River have been in steady decline since completion of the hydroelectric power system in the 1930's and 1940's. *If*, and I emphasize *if*, because we can only speak in hypotheticals at this time, a salmon recovery plan were to require costly modifications to the series of dams along the Columbia or a reduction in the impoundment of water behind the dams, the economic impact would be severe. An abundance of cheap hydroelectricity throughout the region has been a huge factor in the post-World War II growth in the Pacific Northwest. The aluminum and other metals industries would be particularly impacted by any reduction in power supply or sharp increases in rates. Any scale-back in impoundment of water would affect the supply of water for irrigation on which the wheat fields and apple orchards of eastern Oregon Oregon and Washington are dependent.

Because of these and other potential economic disruptions, Oregon is girding itself to deal with dislocated workers as a long-term problem. During the 1991 session of the Oregon Legislature, the Employment Division worked in partnership with the Job Training Partnership Administration in Oregon, the Oregon Economic Development Department, and the Office of Community College Services to assist the Governor and the Legislature in the design of a state funded dislocated worker program to supplement the federal resources under Title III of the Job Training Partnership Act. One of the primary problems identified by the training providers was the lack of adequate financial support of dislocated workers throughout the period of train-

ing. Regular unemployment benefits last for 26 weeks and many workers are forced to drop out of training programs when their benefits are exhausted. The Oregon Legislature responded by authorizing a 13 week extension of unemployment benefits for "structurally unemployed" dislocated workers, which includes timber workers, while these workers are in approved training. The Legislature also authorized an additional $8.5 million in a Dislocated Worker Fund to provide additional financial assistance when all unemployment benefits were exhausted if the worker continues to make satisfactory progress in the approved training program.

Senator Hatfield has addressed this very critical need in S. 2491 by providing for a needs-related payment to support workers while they participate in training. This makes possible the delivery of longer-term training to dislocated workers under this program. Our experience has shown that longer-term training leads to higher wage employment. Many timber workers do not have a high-school education and need training in basic education as well as occupational skills to succeed in a changing labor market. Some of our more successful dislocated worker training programs in Oregon for timber workers are based on a 2-year academic training program at a community college. Unemployment compensation will not support a worker and family for a 2-year program. Income support during training is an essential ingredient for successful outcome to any training program.

S. 2491 would authorize an additional $50 million per year for 5 years to provide training, adjustment assistance, and employment services to workers adversely affected by compliance with the Endangered Species Act. These additional resources are very much needed in Oregon. Even with the additional resources provided by the Oregon Legislature, we estimated that the total resources that would be available from federal and state funds would be sufficient to train only about 4,400 dislocated workers during the 1991-1993 biennium. This is not enough. We estimated that an additional 8,600 dislocated workers would be seeking services during the biennium and that there would not be moneys available to provide training to these workers.

One of the ways Oregon is trying to help dislocated workers who do not get into training is to provide intensified job search. S. 2491 would assist by providing for a job search allowance at 90 percent of cost up to $800. This will help dislocated workers, especially timber workers, in rural areas where new job opportunities will be scarce. For many of these workers, relocation to another job market may be the only alternative. The expense of this activity can be an insurmountable obstacle to a worker who is unemployed and struggling to put food on the family table. Current resources will not support job search allowances on a large scale even when this may be the most cost-effective way to return the worker to gainful employment.

In summary, S. 2491 takes care of three very critical needs for retraining—more resources to provide training, adequate income support for the worker to attend training, and a job search allowance to assist with job placement. Thank you for the opportunity to provide input on this important bill. The need in Oregon for assistance to dislocated workers is great. We hope that the committee will act favorably on the bill.

Senator SIMON. Our hearing stands adjourned.

[Whereupon, at 11:35 a.m., the subcommittee adjourned.]

○

56-259 O - 92 (67)

ISBN 0-16-038906-2

63